# HEALTH SERVICES AND DEVELOPMENT AGENCY JANUARY 27, 2016 APPLICATION SUMMARY

NAME OF PROJECT:

Horizon Medical Center

PROJECT NUMBER:

CN1510-047

ADDRESS:

111 Highway 70 East

Dickson, (Dickson County), TN 37055

**LEGAL OWNER:** 

Central Tennessee Hospital Corporation

111 Highway 70 East Dickson, TN 37055

**OPERATING ENTITY:** 

Not Applicable

**CONTACT PERSON:** 

John Wellborn

(615) 665-2022

**DATE FILED:** 

October 15, 2015

PROJECT COST:

\$975,500

FINANCING:

Cash Reserves of Parent Corporation, HCA

PURPOSE FOR FILING:

Initiation of Neonatal Intensive Care Unit (NICU) in a new 6

bed Level II Neonatal Nursery

DESCRIPTION:

Horizon Medical Center (HMC) is seeking approval to initiate Level II Neonatal Intensive Care services in a new six (6) licensed Level II Neonatal Intensive Care Unit (NICU) through renovation of existing space on the 2<sup>nd</sup> floor of the hospital building at 11 Highway 70 East, Dickson (Dickson County) Tennessee, 37055. The project will not change the 157 total licensed bed complement because 6 existing beds from the hospital's medical service will be converted to the proposed 6 bed Level II NICU service. The project includes only minimal renovation costs and does not contain major medical equipment or initiate or discontinue any other health services.

Note to Agency Members: The Seventh Edition of <u>Tennessee Perinatal System-Guidelines for regionalization, Hospital Care Levels, Staffing and Facilities</u> went into effect on April 24, 2014. This edition changed how neonatal nurseries were classified as follows:

- Level I-Provides a basic level of care for neonatal patients who are low risk.
- Level II-Provides specialty neonatal services for stable or moderately ill infants born at >32 weeks gestation and weighing >1,500 grams who have problems that are expected to resolve rapidly and do not require subspecialty services on an urgent basis.
- Level III-Provides care for infants born at <32 weeks gestation or weigh <1,500 grams at birth or have complex medical or surgical conditions, regardless of gestational age.
- Level IV-Provides the patient care services of Level III units with additional service capabilities and considerable clinical experience in the care of the most complex and critically ill newborn infants.

HSDA Rule 720-9--.01(16) defines neonatal intensive care units as a special care unit equipped to provide professional intensive treatment for the care of newborns with severe or complicated illnesses and/or high-risk newborn infants, staffed by a neonatologist and specialized nurses and in which bassinets are used as licensed beds.

After consultation between HSDA staff and Michael D. Warren, M.D., Chair of the Perinatal Advisory Committee, it was determined that Level II nurseries and higher met the HSDA definition for neonatal intensive care units.

# CRITERIA AND STANDARDS REVIEW

# SPECIFIC CRITERIA AND STANDARDS:

## NEONATAL NURSERY SERVICES

1. The total number of neonatal intensive and intermediate care beds should not exceed eight beds per 1,000 live births per year in a defined neonatal service area.

The applicant's proposed NICU service area includes Dickson, Houston, and Humphreys Counties and the northern portion of Hickman County. The proposed service area is located within the 37-County Middle Tennessee Perinatal Region. Per the table provided on pages 3 and 4 of the project summary based on calculations prepared by the Tennessee Department of Health, Division of Policy, Planning and Assessment, the estimate of the number of Level II and

above NICU beds needed in the applicant's proposed service area is 10 beds in CY 2019. For the 37-county Middle Tennessee Perinatal Region as a whole, the estimate of the number of NICU beds needed is 292 total beds in CY2019.

Since the applicant is requesting 6 of the 10 NICU beds needed in the proposed 4-County service area of the project, it appears that this criterion has been met.

2. The need shall be based upon the current year's population projected four years forward.

Using CY 2014 live births and population estimates for calendar year (CY) 2019, the Tennessee Department of Health, Division of Policy, Planning and Assessment calculated a projected need in CY 2019 for 10 Level II and above NICU beds in the applicant's proposed 4-County primary service area (PSA) and the 37-County Middle Tennessee Perinatal Region. The most current estimated bed need for the 37-County Middle Tennessee Perinatal region is based on a historical use rate methodology calculated by the Tennessee Department of Health. Highlights of the detailed bed need estimate in the application and the TDH project summary report is shown in the table below.

Mid-Tennessee Perinatal Region
Neonatal Intermediate and Intensive Care Bed Need Projection

	Ollacal Alleci	IIICUIU	cc and intensive of	ii c Dea Neca Fi	OJCCCION
			Age 15-44		
[-	Total Live		Female	Estimated	Projected
	Births		Population	Births	Bed Need in
MID-TN Region	2014	Rate	2019	2019	2019
Totals	34,228	64.9	559,818	36,308	292

Source: TDH project summary-CN1510-047 using Tennessee Population Projections 2000-2020

There are no existing Level II and above NICU beds in the applicant's 4-county service area. If approved, the applicant's project will result in the need for 4 additional beds in the 4-County PSA in CY 2019.

For the 37-County Middle Tennessee Perinatal Region as a whole, there are presently 291 licensed Level IIB and above NICU beds, including the 6 Level II NICU beds approved in Hendersonville Medical Center CN1302-002A that went into operation the week of January 4-8, 2016. If approved, the applicant's proposal for 6 new Level II NICU beds would result in a total of 297 Level II and above NICU beds in the Middle Tennessee Perinatal Region by December 2016, resulting in a surplus of 5 NICU beds in CY 2019.

It appears that the applicant partially meets this criterion.

3. A single neonatal special care unit shall contain a minimum of 15 beds. This is considered to be the minimum necessary to support economical operation of this

service. An adjustment in the number of beds may be justified due to geographic remoteness.

HMC is applying for a 6 bed Level II NICU. The applicant alleges that the financial projections for the service, staffed and operated developed in accordance with TDH Perinatal Guidelines will be financially feasible. Further, the applicant states that the project provides benefits to rural families living in remote areas with long drives to existing NICUs in Davidson, Maury and Montgomery Counties justify the exception to this criterion.

Based on the financial projections of the project and documentation on pages 26-R and 27 of the application regarding drive times to existing NICUs in other parts of the Middle Tennessee Perinatal Region, it appears that the applicant's justification <u>meets</u> this criterion.

4. The applicant shall designate a specific service area which is compatible with Department of Health guidelines pertaining to this service.

The applicant has defined the primary NICU project service area as Dickson, Houston and Humphreys Counties and parts of adjoining Hickman County in the 37025 zip code area. The proposed service area is within the Middle Tennessee Perinatal Region.

The applicant <u>meets</u> this criterion.

5. The applicant should demonstrate the ability to comply with the standards developed in the Tennessee Perinatal Care System Guidelines for Regionalization, Hospital Care Levels, Staffing and Facilities.

The applicant provides a narrative response on pages 33-49 of the original application to the most recent 2014 Perinatal Guidelines for Level II care developed by the Tennessee Department of Health (Seventh Edition). The Perinatal Advisory Committee outlined six (6) concerns regarding the applicant's responses to the guidelines. The 12/17/2015 memo from Michael D. Warren, M.D., Director, Family Health and Wellness, Tennessee Department of Health, and Chairperson of the Perinatal Advisory Committee can be found in Exhibit 1 following the HSDA staff summary.

Based on the comments provided in the 12/17/2015 memo from Dr. Warren, it appears that the application <u>does not meet</u> this criterion.

6. The target population shall have access to the proposed service in terms of payment for services, transportation, parking, geographical barriers, and access for the handicapped.

The applicant indicates infants will have total financial accessibility to the proposed NICU regardless of insurance coverage, ground transportation is available 24/7, the hospital has a helipad for air ambulance transport, there are no geographic barriers in the service area that would impede patients access to the proposed NICU service by ground or air ambulance, and the entire HMC campus is handicap accessible.

Note: Per Item 2 of the supplemental response, the applicant clarified that HMC will admit infants covered under BlueCare Network S, the network used for the TennCare Cover Kids Program.

It would appear that the applicant meets this criterion.

7. The Department of Health will consult with the Perinatal Advisory Committee regarding applications.

The Perinatal Advisory Committee's comments on this application can be found in the memo Dr. Michael D. Warren, Chair, at the back of the Department of Health's Report.

# **SUMMARY:**

Horizon Medical Center (HMC) seeks approval to initiate Level II neonatal intensive care nursery services in renovated space on the 2<sup>nd</sup> floor of the hospital with no net change in the number of HMC's existing licensed beds. The applicant states that the proposed 6-bed Level II neonatal intensive care unit (NICU) will be set up and staffed to provide care for infants of 32 or more weeks gestational age at birthweights of 1,500 grams or higher who have physiologic immaturity or are moderately ill with problems that are expected to resolve rapidly and not require subspecialty services on an urgent basis.

The applicant currently provides a Level I neonatal service through the support of clinical staffing by physician neonatologists and neonatal nurse practitioners of the Pediatrix Medical Group and transfer arrangements with Level III NICU programs at Centennial Medical Center and Vanderbilt Children's Hospital. However, for those reasons discussed in detail on pages 6 and 15-23 of the application, the applicant seeks Level IIB NICU designation to provide care to infants with low blood sugar levels

(hypoglycemic infants) and other clinical problems that will meet new neonatal practice guidelines triggered by a 2015 study published in the Journal of the American Medical Association and current TDH Perinatal Guidelines for Level II NICU care.

If approved, HMC believes that the proposed 6-bed Level II NICU unit will provide the resources to reduce the large number of transfers of infants from its Level I service to hospitals outside the service area. As documented in the tables provided on pages 17-19 of the application, HMC estimated that it transferred approximately 59 infants in CY 2015, a 119% increase from 27 transfers in CY 2014. Identification of the primary clinical problems requiring the transfer of infants during the January-September 2015 timeframe is illustrated in Item 6 of Supplemental 1.

The scope of renovation includes work to fully equip the proposed 6-bed NICU unit in approximately 1,500 square feet of space on the 2<sup>nd</sup> floor of the hospital at a cost of \$374,500 (\$250/SF). The applicant states that the work will be performed in accordance with all applicable building and safety codes and the American Hospital Association's 2010 Guidelines for the Design and Construction of Hospital and Healthcare Facilities. As part of the renovation, the proposed NICU unit will be equipped to provide mechanical ventilator support of less than 24 hours and/or continuous positive airway pressure.

# Ownership

Tri-Star Horizon Medical Center is wholly owned by Central Tennessee Hospital Corporation. Through subsidiaries, the applicant's owner is wholly owned by HCA Holdings, Inc., the parent company of HCA. An organization chart and listing of HCA Hospitals and Hospital Affiliates in Tennessee is provided in attachment A.4 of the application.

# **Facility Information**

The following table summarizes the applicant's proposed licensed bed changes:

Applicant's Licensed and Staffed Bed Complement

Bed Service	Current Licensed Beds	Current Staffed Beds	Proposed Licensed Beds
Medical-Surgical	123	72	117
ICU/CCU	6	6	6
Neonatal	0	0	6
Obstetrical	9	9	9
Geriatric Psych	7	0	7
Rehabilitation	12	12	12
TOTAL BEDS	157	99	157

Source: CN1510-047

As noted in the table, the total number of beds before and after the proposed 6-bed NICU project will remain at 157. The hospital is currently licensed and staffed for 157 and 99 hospital beds, respectively. According to the most recent final published Joint Annual Report, the hospital reported 19,198 inpatient days (52.6 patients/day), excluding observation days, for a licensed and staffed hospital bed occupancy of 33.5% and 53.2%, respectively. The following provides the Department of Health's definition of the two bed categories pertaining to occupancy information provided in the Joint Annual Reports:

Licensed Beds- The maximum number of beds authorized by the appropriate state licensing (certifying) agency or regulated by a federal agency. This figure is broken down into adult and pediatric beds and licensed bassinets (neonatal intensive or intermediate care bassinets).

Staffed Beds-The total number of adult and pediatric beds set up, staffed and in use at the end of the reporting period. This number should be less than or equal to the number of licensed beds.

# **Project Need**

The applicant identifies the following highlights justifying the need for the project:

- Reduction in the historically high rate of transfers to hospitals located outside HMC's service area with Level II and above NICU services. Transfers are expected to increase by approximately 118% from 27 transfers in CY 2014 to 54 in CY 2015.
- Provision of clinical care consistent with new practice guidelines triggered by recent changes in the definition for Level II NICU services, including care of infants with persistent low blood sugar problems. Currently, the applicant estimates every 1 in 3 infants born at HMC required transfer to Level II and above NICUs outside the service are due to problems related to hypoglycemia.
- Reduction in problems associated with increasing transfers such as problems related to delays in neonatal care while awaiting neonatal transport, increased separation of infants from their mothers, and increased travel times and expense to service are family residents.
- Reduction in Level II care by affiliated Level III NICU at Tri-Star Centennial Medical Center's Women's and Children's Hospital in Nashville for infants of service area families, freeing up resources to improve access to care.
- To improve the long range viability of the applicant's obstetrics program.

# Applicant's Proposed NICU Service Area

HMC's proposed primary service area (PSA) includes all of Dickson, Houston and Humphreys Counties and the northern part of Hickman County. Highlights of the PSA are noted below.

- The total population of the PSA is estimated at 102,524 residents in calendar year (CY) 2015 increasing by approximately 1.0% to 104,062 residents in CY 2019 compared to 3.7% statewide.
- As a whole, females ages 15-44 accounted for approximately 18.0% of the applicant's 4-County PSA in CY 2015 compared to 20.1% statewide.
- Service area residents enrolled in the TennCare program averaged approximately 23.1% of the total service area population in CY 2015 compared to 21.8% statewide.
- Patient Origin is illustrated in the table below.

4-County Service Area	2012	2013	2014	% Change 12'-14'
Total births by family residents of PSA	936	979	987	5.5%
NICU Infants	-272	338	334	22.8%
NICU Infants as a % of Total Births	29.1%	34.5%	33.8%	

Sources: births by resident county-TDH; NICU infant DRGs-Tennessee Hospital Association

The table above reflects the following:

- Live births by female residents of the applicant's PSA increased by 5.5% from 2012-2014.
- On average, the number of infants receiving care in hospital NICUs outside the applicant's PSA accounted for approximately 32.5% of births from 2012-2014.

# Service Area NICU Provider Historical Utilization

- The overall historical average daily census for the Middle Tennessee Perinatal Region's NICUs increased slightly by approximately 3.3% from 2012-2014
- The number of NICUs increased from 10 units to 11 in 2014 units due to the opening of Tri-Star StoneCrest Medical Center 8-bed Level II NICU. Since 2014, Tri-Star Hendersonville Medical Center opened its 6-bed Level II NICU approved in CN1302-002A the week of January 4-8, 2016.
- Key highlights of the utilization of Level II and above NICUs in the region during the period are shown in the table below. Note: the percentage change in total utilization excludes StoneCrest Medical Center's 8-bed NICU (not operational in CY 2012) and Hendersonville's new 6-bed unit (opened in January 2016).

NICU Level of Care and Utilization in 37-County Mid-TN Perinatal Region

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Hospital	County	CON	2012	2013	2014	%	Average	Average
		Approved	Patient	Patient	Patient	Change	Daily	Length of
		Beds	Days	Days	Days	12'-14'	Census	Stay
							2014	2014
Vanderbilt	Davidson	100	29,611	30,669	30,577	3.4%	84/day	25 days
Saint Thomas Midtown	Davidson	52	9,353	10,041	8,348	-10.7%	23/day	18 days
Centennial	Davidson	60	15,446	17,929	19,121	23.8%	52/day	26 days
Metro Gen.	Davidson	10	727	370	337	-50%	1/day	6 days
Summit	Davidson	10	750	1,203	914	21.9%	3/day	14 days
Hendersonville*	Davidson	6	<b>动图是图</b>	<b>双轴/排</b> 栏		10 1 10 10 10 10 10 10 10 10 10 10 10 10		P/4
Maury Reg.	Maury	8	902	1,840	1,675	85.7%	5/day	7 days
Gateway MC	Montgomery	13	1,552	1,406	1,583	2.0%	4/day	7 days
Saint Thomas Rutherford	Rutherford	16	3,048	3,477	3,271	7.3%	9/day	15 days
StoneCrest Medical Center	Rutherford	8	Not in operation	557	1,192	114% (1 year only)	3/day	15 days
Williamson Medical Ctr.	Williamson	8	950	1,154	1,569	65.2%	4/day	25 days
Mid-TN Perinatal Region Total	11 Hospitals	291	62,339	68,646	68,587	3.3% Adjusted **	188/day	20 days

Note: \*Tri-Star Hendersonville opened a 6 bed Level IIB NICU the week of January 4, 2016. \*\*Adjusted patient days to exclude StoneCrest NICU for 2014. Sources: CN1510-047, 2012-2014 TDH Joint Annual Reports.

# The table above reflects the following:

- For the Mid-TN Perinatal Region as a whole, utilization of the 10 hospital NICUs operating in 2014 increased by approximately 3.3% from 62,339 total patients days in CY 2012 to 67,395 total patient days in CY 2014 (185 infants/day).
- In CY 2014, the combined average daily census of the 10 hospital NICU units operating in the region was approximately 188 infants/day, the average bed occupancy was approximately 66%, and the average length of stay was approximately 20 days.
- The hospitals with the highest increase in utilization during the period were StoneCrest Medical Center (114%), Maury Regional Medical Center (85.7%), and Williamson Medical Center (65.2%).

# Applicant's Historical and Projected Utilization

Whole Hospital: Highlights showing the historical and projected utilization of the hospital are shown below.

Horizon Medical Center Historical and Projected Utilization

Measure	2013	2014	2015	% Change		1 1/ 5
					Year 1	Year 2
D 1			Projected	<b>′12-′15</b>	<b>2017</b>	2018
Beds	157	157	157	None	157	157
Inpatient Days	18,892	19,196	19,929	2.1%	21,840	22,277
Occupancy on Inpatient days	33.0%	33.5%	34.8%		38.1%	38.9%
Observation Days	2,092	2,422	2,678	28.1%	2,787	2,843
Total Days	20,984	21,620	22,607	7.7%	24,627	25,120
Total	36.6%	37.7%	39.5%			
Occupancy	23.070	<i>57.17</i> 0	39.5 /6		43.0%	43.8%

<u>Proposed Level II NICU</u>: The methodology used to determine utilization of the proposed 6-bed NICU is described on page 61 of the application. The applicant expects a 15% capture of approximately 668 newborns of service area families that could transfer to NICUs outside the 4-county service area absent HMC's proposed Level II NICU service. As a result, the applicant projects volumes of 85 infants or 1,105 patient days in Year 1 (85 infants x average length of stay of 13 days/infant), increasing by approximately 17.6% to 100 infants and 1,300 patient days in Year 2.

# Applicant's Historical and Projected Data Charts

For the hospital as a whole, review of the applicant's Projected Data Chart revealed unfavorable net income of -\$3,124,497 after indirect expenses for depreciation, interest, taxes and amortization in fiscal year (FY) 2014 from -\$4,482,210 in FY 2013. Highlights of URMC's financial performance are shown in the table below.

Applicant's Historical & Projected Financial Performance

Financial Measure	Hospital FY 2014	Hospital Year 1 FY 2017	Proposed NICU Service Year 1 FY 2017
Patient Days	19,198	21,840	1,105
Gross Operating Revenue	\$397,921,927	\$527,702,000	\$3,796,000
Net Operating Revenue	\$69,256,365	\$89,825,000	\$1,780,000
Total Operating Expenses	\$64,684,135	\$76,701,000	\$1,371,000
EBDITA	\$4,572,230	\$13,124,000	\$409,000
Total Indirect Expenses	\$7,696,727	\$8,504,000	\$59,000
Net Income	-\$3,124,497	\$4,620,000	\$350,000

Sources: CN1509-040(financial statements) and Supplemental 1

The table reflects the following:

- For the hospital as a whole, the applicant expects a \$4.6 million favorable margin in Year 1 of the project (FY 2017) based on expected margin performance in FY 2016 of \$2.6 million and \$552,000 in FY 2015.
- The key factors contributing to the significant improvement in margin performance, including the opening of the hospital's satellite emergency department in 2015 and the recruitment of several physician specialists, are discussed in Item 8 of Supplemental 1.
- The financial performance of the proposed 6-bed NICU unit is favorable, with earnings before depreciation, interest, taxes and amortization (EBDITA) and Net Income estimated at \$409,000 and \$350,000, respectively, in the first year of the project (FY 2017).
- For additional information, please refer to the copies of the financial statements in the attachments to the application.

# Charges

In Year 1 of the proposed 6-bed Level II NICU project, the average gross charge is \$3,435/patient day. Based on an average length of stay of 13 days, the estimated average gross charge amounts to approximately \$44,659/admission.

- The average gross charge for the 5 most prevailing DRG codes for the service are shown in Table 11 on page 76 of the application.
- After deductions for contractual adjustments, charity and bad debt, the average net charge is \$20,941/admission.
- A comparison of the applicant's NICU charges by DRG to other Tri-Star hospitals that operate similar size Level II units is also shown on page 76 of the original application.

# Payor Mix

The payor mix for the hospital as a whole is shown in the table below.

HMC Service Payor Mix, Year 1

Payor Source	Total Hospital	as a % of	NICU	as a % of	
	Gross Revenue	Gross	Gross	Gross	
	Year 1	Revenue	Revenue	Revenue	
		Year 1	Year 1	Year 1	
Medicare	\$246,711,595	62%	0	0	
TennCare	\$59,688,289	15%	\$3,036,800	80%	
Commercial/	\$55,709,070	13%	\$683,280	18%	
Managed Care					
Self-	\$31,833,754	8%	\$75,920	2%	
Pay/Charity					
Other	\$3,979,219	2%	0	0	
Total	\$397,921,927	100%	\$3,796,000	100%	

# **Project Cost**

The total estimated project cost is \$975,500. Major costs are:

- Renovation costs for set-up of 1,500 square foot 6-bed unit: \$375,000 or 38.5% of total cost.
- Minor/moveable medical equipment costs for the service, including mechanical ventilator system: \$500,000 or 51.2% of the total cost.
- Average total renovation cost is expected to be \$250/SF and falls between the HSDA median cost of \$192.46/SF and 3<sup>rd</sup> Quartile Cost of \$297.82/SF for hospital construction projects from 2012-2014 (as of June 2015).
- For other details on Project Cost, see the Project Cost Chart on page 65 of the application.
- A letter dated October 13, 2015 from the architectural firm C. Ross Architecture, LLC confirms the estimated renovation cost of the project and compliance with all building and safety codes that apply to the project.

# **Financing**

- The applicant states that the actual out of pocket funding for the proposed project is \$375,000. Per the 10/01/2015 letter from Christopher Lawson, CFO of Tri-Star Health System, the project will be funded from cash reserves in the form of a cash transfer from HCA, Inc. to TriStar Health System.
- A copy of the CFO letter is provided in Supplemental 1.
- Review of the Consolidated Financial Statements of HCA Holdings, Inc. provided in the application for the fiscal year ending December 31, 2014 revealed cash & cash equivalents of \$566,000,000, current assets of \$8,930,000,000 and current liabilities of \$5,480,000,000 for a current ratio of approximately 1.63 to 1.0. Note to Agency Members: current ratio is a measure of liquidity and is the ratio of current assets to current liabilities which measures the ability of an entity to cover its current liabilities with its existing current assets. A ratio of 1:1 would be required to have the minimum amount of assets needed to cover current liabilities.

# Staffing

The applicant currently operates a Level I NICU service and has an existing professional services agreement with the Pediatrix Medical Group of Tennessee, P.C. (PMG) for medical supervision by Sami Ismail, M.D., PMG's owner, and for 24/7 coverage of the service by Neonatal Nurse Practitioners (NNP) under the supervision of PMG's neonatologists. Per the applicant, the existing agreement will remain in effect and will be modified as necessary to meet Perinatal Guidelines and related practice standards for medical supervision, clinical care protocols, and staffing standards that apply to Level II NICU services. Highlights of the professional staffing arrangement are as follows:

- Dr. Sami Ismail, is a Board-Certified Neonatologist who has served for years as the Medical Director of Tri-Star Centennial Medical Center's Level III Nursery and Regional Neonatal Transport Service operated by Tri-Star Centennial Women's and Children's Hospital in Nashville.
- The current Professional Services Agreement identifies key responsibilities of the parties, including operation of the service, medical supervision, description of duties, and clinical practice protocols. A copy of the agreement is provided in Supplemental 1.
- Items 4 and 10 of Supplemental 1 provide additional clarification about the applicant's clinical staffing plans for the project.

With respect to other clinical staffing highlights, the applicant plans to increase staffing by approximately 12.4 full time equivalents (FTE) in Year One of the project. The staffing plan is illustrated in the table below.

Applicant's Proposed Staffing Plan

Position Type	FTE Year 1
Registered Nurse	9.0
Respiratory Therapist	2.2
Pharmacist	0.4
Social Services	0.4
Lactation Consultant	0.4
Total	12.4

\*Note: 1 FTE means an employee who works 2,080 regular hours per year. Source: p. 83, CN1510-047

# Licensure/Accreditation

Horizon Medical Center has a license from the Tennessee Department of Health (TDH) that expires in May 2016. The hospital is also accredited by the Joint Commission. Copies of the most recent licensure survey by TDH and the Joint Commission are provided in the application.

The applicant has submitted the required corporate documentation and real estate title. Staff will have a copy of these documents available for member reference at the meeting. Copies are also available for review at the Health Services and Development Agency office.

Should the Agency vote to approve this project, the CON would expire in three years.

# **CERTIFICATE OF NEED INFORMATION FOR THE APPLICANT:**

There are no other Letters of Intent, denied or pending applications for this applicant.

# Outstanding Certificates of Need

Natchez Surgery Center, CN1002-011AME, has an outstanding Certificate of Need that will expire on July 1, 2017. The project was approved at the May 26, 2010 Agency meeting for the establishment of an ambulatory surgical treatment center (ASTC) with three (3) operating rooms and three (3) procedure rooms. After approval, CN0801-001A was surrendered which was a similar facility for this site at 107 Natchez Park Drive, Dickson (Dickson County), TN. The estimated cost of the project was \$13,073,892.00. Additional changes to CON following approval: The applicant received approval in CN1202-008A at the March 2012 Agency meeting to extend the expiration date for three (3) years from July 1, 2012 to July 1, 2015 due to major modifications, including decreases in the number of operating and procedure rooms, and a decrease in the total size of the ASTC (from 15,424 SF to  $10,459 \, \mathrm{SF}$ ). As a result, the project cost was changed from \$13,073,892 to \$8,872,069 (a decrease of \$4,201,823). The major factor driving the modifications was the decision by Tri-Star Health to house the satellite ED approved in Horizon Medical Center, CN1202-008A on the first floor of the same building planned for the ASTC (the satellite ED was approved at the March 2012 Agency meeting). Following these developments, the applicant requested and received approval at the June 24, 2015 Agency meeting for an additional 2-year extension of the expiration date to July 1, 2017. Project Status: The satellite ED on the 1st floor was opened for public use on June 29, 2015 and shelled-in space and installation of HVAC for the ASTC on the 2nd floor was completed during construction of the satellite ED. Remaining construction of the ASTC is in progress.

HCA has financial interests in this project and the following:

# Denied Applications:

TriStar Southern Hills Medical Center Emergency Room, CN1412-050D, was denied at the March 25, 2015 Agency meeting. The application was for the establishment of a satellite emergency department facility in a leased building to be constructed. The facility was to contain 8 treatment rooms for emergency services at an unaddressed site at the intersection of Old Hickory Boulevard and American Way, Brentwood (Davidson County), TN 37250. The estimated project cost was \$11,500,000.00. Reason for Denial: The application was denied based on inadequate proof of orderly development.

Summit Medical Center, CN1206-029D, was denied at the September 26, 2012 Agency meeting. The application was for the establishment of a 20 bed acute inpatient rehab unit and service in its hospital facility by converting 20 adult psychiatric beds and reclassifying the adult psychiatric unit to an inpatient rehabilitation unit. The estimated project cost was \$2,500,000.00 Reason for Denial: The need and orderly development aspects of the application failed to meet the statutory criteria.

# Outstanding Certificates of Need

Summit Medical Center, CN1508-031A, has an outstanding Certificate of Need that will expire on January 1, 2019. The project was approved at the November 18, 2015 Agency meeting for the establishment of a 8,864 SF satellite emergency department (ED) containing 8 examination and treatment rooms to be located at an unaddressed site in the southwest quadrant of intersection of I-40 and Beckwith Road (Exit 229), 100 yards west of Beckwith Road, Mt. Juliet (Wilson County), TN 37122. Located at interstate 40 Exit 229 approximately 9.9 miles east of TriStar Summit Medical Center's main emergency department, the proposed satellite ED will be a full-service, 24-hour, physician-staffed satellite facility operated as a department of Summit Medical Center with the same emergency medical physician coverage and full-time emergency diagnostic and treatment services as the main hospital. The estimated project cost is \$11,106,634. Project Status Update: The project was recently approved.

TriStar Skyline Medical Center, CN1505-014A, has an outstanding Certificate of Need that will expire on October 1, 2018. The project was approved at the August 26, 2015 Agency meeting for a net increase of 10 medical-surgical beds on the main hospital campus at 3441 Dickerson Pike, Nashville (Davidson County), TN by the renovation of existing spaces and closure of 10 beds at the hospital's satellite campus at 500 Hospital Drive in Madison (Davidson County), TN. The hospital's consolidated 385-bed license will not change as a result of this project. The total estimated project cost is \$843,000. Project Status Update: The project was recently approved.

Parkridge Medical Center, CN1503-007A, has an outstanding Certificate of Need that will expire on July 1, 2018. The project was approved at the June 24, 2015 Agency meeting for the renovation and expansion of several patient care and support department areas of the facility and the acquisition of an additional cardiac catheterization laboratory and bone densitometry unit on its main campus. The project will not change the 275 licensed bed complement of the hospital. The estimated project cost is \$61,459,477. Project Status Update: Per e-mail update submitted on 01/05/2016, the project is completing final architectural plans and construction included in Phase I is expected to begin in May 2016.

Southern Hills Surgery Center, CN1411-047A, has an outstanding Certificate of Need that will expire July 1, 2017. The project was approved at the May 27, 2015 Agency meeting for the relocation of Southern Hills Surgery Center from 360 Wallace Road, Nashville (Davidson County), TN 37211, to leased space in a building to be constructed at an unaddressed site in the northeast corner of the intersection of Old Hickory Boulevard and American Way, Brentwood (Davidson County), TN 37250. The estimated project cost is \$17,357,832.00. Project Status Update: The project was recently

approved and has been appealed by Saint Thomas Campus Surgicare, L.P., Baptist Surgery Center, L.P., Baptist Plaza Surgicare, L.P., Franklin Endoscopy Center, LLC, and Physicians Pavilion, L.P. As of 01/08/2016, the project remains under appeal.

Centennial Medical Center, CN1407-032A, has an outstanding Certificate of Need that will expire on December 1, 2017. The project was approved at the October 22, 2014 Agency meeting for the renovation of the main emergency department, the development of a Joint Replacement Center of Excellence with 10 additional operating rooms; and the increase of the hospital's licensed bed complement from 657 to 686 beds. The estimated project cost was \$96,192,007.00. Project Status Update: According to a June 2, 2015 update, the project is under appeal by St. Thomas Health. As of 01/08/2016, the project remains under appeal pending hearing before an Administrative Law Judge with the Secretary of State.

Hendersonville Medical Center, CN1302-002A, has an outstanding Certificate of Need that will expire on August 1, 2016. The project was approved at the June 26, 2013 Agency meeting to construct a new fourth floor of medical surgical beds and initiate Level IIB Neonatal Intensive Care services in a new six (6) bed licensed Level IIB Neonatal Intensive Care Unit (NICU) on its campus at 355 New Shackle Island Road, Hendersonville (Sumner County) Tennessee, 37075. The proposed project will not change the total licensed bed complement. The hospital currently holds a single consolidated license for 148 general hospital beds, of which 110 are located at its main Hendersonville campus and 38 are located at its satellite campus at 105 Redbud Drive, Portland (Sumner County), TN 37148. The applicant will relocate 13 beds from the satellite campus to the main campus, resulting in 123 licensed beds at the Hendersonville campus and 25 licensed beds at the Portland satellite campus. The estimated cost of the project is \$32,255,000.00. Project Status Update: Per an e-mail update provided on 01/05/2016, the OB and 6 bed Level NICU phase of the project has been completed with services to be initiated the week of January 4, 2016. The remaining phase of the project involving major construction and renovation of the hospital's medical-surgical service area is underway.

# CERTIFICATE OF NEED INFORMATION FOR OTHER SERVICE AREA FACILITIES:

There are no other Letters of Intent, denied or pending applications or outstanding Certificates of Need for other entities proposing this type of service.

PLEASE REFER TO THE REPORT BY THE DEPARTMENT OF HEALTH, DIVISION OF HEALTH STATISTICS, FOR A DETAILED ANALYSIS OF THE STATUTORY CRITERIA OF NEED, ECONOMIC FEASIBILITY, AND

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE IN THE AREA FOR THIS PROJECT. THAT REPORT IS ATTACHED TO THIS SUMMARY IMMEDIATELY FOLLOWING THE COLOR DIVIDER PAGE.

PJG (01/08/2016)

# LETTER OF INTENT

# LETTER OF INTENT -- HEALTH SERVICES & DEVELOPMENT AGENCY

The Publication of Intent is to be published in the Tennessean, which is a newspaper of general circulation in Dickson County, Tennessee, on or before October 10, 2015, for one

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. Sections 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that TriStar Horizon Medical Center (a hospital), owned and managed by Central Tennessee Hospital Corporation, Inc. (a corporation), intends to file an application for a Certificate of Need to initiate neonatal intensive care nursery services in a 6-bed Level II neonatal nursery, by renovation of existing space on its main campus at 111 Highway 70 East in Dickson, TN 37055, at a capital cost estimated at \$975,500.

TriStar Horizon Medical Center is licensed by the Board for Licensing Health Care Facilities, Tennessee Department of Health, as a 157-bed general hospital. The project does not change the hospital's licensed bed count, and does not contain major medical equipment or initiate or discontinue any other health service.

The anticipated date of filing the application is on or before October 15, 2015. The contact person for the project is John Wellborn, who may be reached at Development Support Group, 4219 Hillsboro Road, Suite 210, Nashville, TN 37215, (615) 665-2022.

jwdsg@comcast.net (E-mail Address)

# **COPY**

# TRISTAR HORIZON MEDICAL CENTER NICU

CN1510-047

# PART A

# 1. Name of Facility, Agency, or Institution

TriStar Horizon Medical Center N	Neonatal Intensive Care Unit (NI	(CU)
Name		
111 Highway 70 East		Dickson
Street or Route		County
Dickson	TN	37055
City	State	Zip Code

# 2. Contact Person Available for Responses to Questions

John Wellborn	Consultant		
Name	Title		
Development Support Group	jwdsg@comcast.net		
Company Name	E-Mail Address		
4219 Hillsboro Road, Suite 210	Nashville	TN	37215
Street or Route	City	State	Zip Code
CON Consultant	615-665-2022 615		615-665-2042
Association With Owner	Phone Number Fax Number		Fax Number

# 3. Owner of the Facility, Agency, or Institution

Central Tennessee Hospital Corporation, Inc.		615-326-2357
Name		Phone Number
Same as in #1 above		Dickson
Street or Route		County
Dickson	TN	37055
City	State	Zip Code

# 4. Type of Ownership or Control (Check One)

		F. Government (State of TN or
A. Sole Proprietorship		Political Subdivision)
B. Partnership		G. Joint Venture
C. Limited Partnership		H. Limited Liability Company
D. Corporation (For-Profit)	х	I. Other (Specify):
E. Corporation (Not-for-Profit)		

# PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS

# 5. Name of Management/Operating Entity (If Applicable) NA

Name		
Street or Route		County
City	State	Zip Code

# 6. Legal Interest in the Site of the Institution (Check One)

A. Ownership	X	D. Option to Lease	
B. Option to Purchase		E. Other (Specify):	
C. Lease ofYears			

# 7. Type of Institution (Check as appropriate—more than one may apply)

A. Hospital (Specify): General	X	I. Nursing Home	
B. Ambulatory Surgical Treatment			
Center (ASTC) Multi-Specialty		J. Outpatient Diagnostic Center	
C. ASTC, Single Specialty		K. Recuperation Center	
D. Home Health Agency		L. Rehabilitation Center	
E. Hospice		M. Residential Hospice	
F. Mental Health Hospital		N. Non-Residential Methadone	
G. Mental Health Residential Facility		O. Birthing Center	
H. Mental Retardation Institutional		P. Other Outpatient Facility	
Habilitation Facility (ICF/MR)		(Specify):	
•		Q. Other (Specify):	

# 8. Purpose of Review (Check as appropriate—more than one may apply

A. New Institution		G. Change in Bed Complement Please underline the type of Change: Increase, Decrease, <u>Designation</u> , Distribution, Conversion, Relocation	x
B. Replacement/Existing Facility		H. Change of Location	
C. Modification/Existing Facility	X	I. Other (Specify):	
D. Initiation of Health Care Service as defined in TCA Sec 68-11-1607(4) (Specify) NICU	v		
E. Discontinuance of OB Service	X		
F. Acquisition of Equipment			

9. Bed Complement Data

(Please indicate current and proposed distribution and certification of facility beds.)

(Please indicate current and		CON			
		approved		(F	
	Current	beds		Beds	TOTAL
	Licensed	(not in	Staffed	Proposed	Beds at
	Beds	service)	Beds	(Change)	Completion
A. Medical	123		72	-6	117
B. Surgical (In A)					
C. Long Term Care Hosp.		-			
D. Obstetrical	9		9		9
E. ICU/CCU	6		6		6
F. Neonatal	0			+6	6
G. Pediatric					
H. Adult Psychiatric					
I. Geriatric Psychiatric	7		0		7
J. Child/Adolesc. Psych.					
K. Rehabilitation	12		12		12
L. Nursing Facility					
(non-Medicaid certified)					
M. Nursing Facility Lev. 1					
(Medicaid only)					
N. Nursing Facility Lev. 2					
(Medicare only)					
O Nursing Facility Lev. 2					
(dually certified for					
Medicare & Medicaid)					
P. ICF/MR					
Q. Adult Chemical					
Dependency					
R. Child/Adolescent					
Chemical Dependency					
S. Swing Beds					
T. Mental Health					
Residential Treatment					
U. Residential Hospice					
TOTAL	157		99	0	157

10.	Medicare Provider Number:	440046
	Certification Type:	General Hospital
11.	Medicaid Provider Number:	44-0046
	Certification Type:	General Hospital

# 12. & 13. See page 4

# A.12. IF THIS IS A NEW FACILITY, WILL CERTIFICATION BE SOUGHT FOR MEDICARE AND/OR MEDICAID?

This is an existing hospital that is certified for both Medicare and TennCare/Medicaid.

A.13. IDENTIFY ALL TENNCARE MANAGED CARE ORGANIZATIONS / BEHAVIORAL HEALTH ORGANIZATIONS (MCO'S/BHO'S) OPERATING IN THE PROPOSED SERVICE AREA. WILL THIS PROJECT INVOLVE THE TREATMENT OF TENNCARE PARTICIPANTS? Yes IF THE RESPONSE TO THIS ITEM IS YES, PLEASE IDENTIFY ALL MCO'S WITH WHICH THE APPLICANT HAS CONTRACTED OR PLANS TO CONTRACT.

DISCUSS ANY OUT-OF-NETWORK RELATIONSHIPS IN PLACE WITH MCO'S/BHO'S IN THE AREA.

Available TennCare MCO's	Applicant's Relationship
AmeriGroup	contracted
United Healthcare Community Plan	contracted
BlueCare	contracted
TennCare Select	contracted

#### SECTION B: PROJECT DESCRIPTION

B.I. PROVIDE A BRIEF EXECUTIVE SUMMARY OF THE PROJECT NOT TO EXCEED TWO PAGES. TOPICS TO BE INCLUDED IN THE EXECUTIVE SUMMARY ARE A BRIEF DESCRIPTION OF PROPOSED SERVICES AND EQUIPMENT, OWNERSHIP STRUCTURE, SERVICE AREA, NEED, EXISTING RESOURCES, PROJECT COST, FUNDING, FINANCIAL FEASIBILITY AND STAFFING.

# Proposed Services and Equipment

- TriStar Horizon Medical Center is in Dickson, near I-40 in western Middle Tennessee. It serves a large rural area between Nashville and the Tennessee River, whose residents have many births requiring Level II neonatal intensive care. This project is to establish a Level II Neonatal Intensive Care Unit ("NICU") with 6 licensed beds. It will be staffed 24/7 by neonatal nurse practitioners working under the supervision of neonatologists on staff at TriStar Centennial Medical Center, the second largest Level III neonatal care program in Middle Tennessee. This neonatology group belongs to the Pediatrix organization, which manages neonatal care at seven Middle Tennessee NICU's.
- No new construction is needed. The NICU will be developed in existing space. No major medical equipment is required. There will be no increase in the hospital's bed license, because 6 underutilized medical-surgical beds will be closed when the NICU opens.

# Ownership Structure

- TriStar Horizon Medical Center is wholly owned by Central Tennessee Hospital Corporation, which is owned through subsidiary companies by HCA, the nation's largest hospital corporation. HCA operates three NICU's in Tennessee and operates one of the two neonatal ambulance transport systems that serve the Middle Tennessee Region.
- Attachment A.4 contains more details, an organization chart, and information on the Tennessee facilities owned by this facility's parent organization.

#### Service Area

- The primary service area of the project will consist of all or part of four contiguous counties-- Dickson, Houston, Humphreys, and the northernmost zip code of Hickman County (37025), which is close to Dickson.
- This is a rural area one to two hours' drive west of Nashville and east of the Tennessee River. The service area extends both north and south of I-40 as it crosses West Tennessee. It can be described as central western Middle Tennessee.

#### Need

- In early CY 2015, the perinatal community redefined Level II care to include certain infants with persistent low blood sugar problems, who traditionally had been cared for in Level I facilities. IN CY 2015, this change has caused the applicant's Level I program to have to transport 160% more inborns (born at this hospital) to Level II NICU's outside the service area. Such extreme separation of the mothers from their babies for an average of two weeks is not desirable from the standpoint of family bonding, breastfeeding, and other goals. Not having a Level II resource close to home imposes a severe daily travel burden on local families and necessitates much larger neonatal transport costs. Recent trends suggest that one in three area newborns are being transferred to Level II NICU's. If this continues, mothers will increasingly choose to deliver in Nashville. This will increasingly threaten the viability of the Horizon obstetrics program, creating a significant gap in accessibility and safety for service area residents who rely on Horizon.
- With its strong relationships to the Level III NICU at TriStar Centennial Women's and Children's Hospital in Nashville (where most of these new transfers have gone), the applicant can quickly upgrade its staffing and staff competencies to meet the current Perinatal Guidelines for Level II care. Having the Level II competencies and designation will greatly reduce the commuting burdens on families who currently must make long round trips outside the area daily--for almost two weeks on average--to be with their newborns in Level II care. It will reduce the costs of neonatal transport. It will help retain and expand this hospital's maternity programs, keeping them from declining to the point that the rural service area cannot retain its obstetricians.

#### **Existing Resources**

- There are no Level II NICU services available in the primary service area, which consists of all or parts of four counties that generate almost a thousand births a year. The applicant's Level I neonatal nursery is the only one in the service area.
- East of the project service area, the closest NICU's are at TriStar Centennial Medical Center (The Children's Hospital at Centennial Medical Center), Vanderbilt Medical Center (Vanderbilt Children's Hospital), and Saint Thomas Midtown Hospital (formerly Baptist Hospital). To the north and south of the service area there are NICU's at Gateway Medical Center in Clarksville, and Maury Regional Medical Center in Columbia. These are all a long drive from this project's service area.

## Project Cost and Funding, and Financial Feasibility

• The estimated cost of the project is \$975,500. The project cost will be fully funded with the cash reserves of the applicant hospital. The project will operate with a positive cash flow and a positive operating margin. The hospital of which it is a part currently has a positive cash flow.

#### Staffing

• The NICU will be staffed in compliance with the standards of the Tennessee Perinatal Care System Guidelines. The current edition of those is the Seventh Edition (April 24, 2014). This will require the addition of approximately 12.4 FTE's.

B.II. PROVIDE A DETAILED NARRATIVE OF THE PROJECT BY ADDRESSING THE FOLLOWING ITEMS AS THEY RELATE TO THE PROPOSAL.

B.II.A. DESCRIBE THE CONSTRUCTION, MODIFICATION AND/OR RENOVATION OF THE FACILITY (EXCLUSIVE OF MAJOR MEDICAL EQUIPMENT COVERED BY T.C.A. 68-11-1601 et seq.) INCLUDING SQUARE FOOTAGE, MAJOR OPERATIONAL AREAS, ROOM CONFIGURATION, ETC.

## Location

The project will be located on the second floor of TriStar Horizon Medical Center in Dickson, the county seat of Dickson County. The hospital is located approximately 5.5 miles north of I-40's Highway 46 exit.

#### Design

Table One-A: Summary of Construction and Changes in Size		
	Total Square Feet	
Net Increase in Facility Size (%)	None	
Area of New Construction	None	
Area of Renovation	1,500 SF	

Table One-B: Construction Costs of This Project				
	Renovated Construction	New Construction	Total Project	
Square Feet	1,500 SF	0	1,500 SF	
Construction Cost	\$374,500	0	\$374,500	
Constr. Cost PSF	\$250 PSF	0	\$250 PSF	

The proposed NICU will be constructed by renovating and remodeling existing space in the hospital's second floor nursery, adjacent to Obstetrics. A Neonatal Intensive Care Unit ("NICU") of six (6) licensed bassinets will be created there, staffed and equipped for the delivery of Level II care as defined by current Guidelines of the Tennessee Perinatal Care System (Seventh Edition, 2014). A preliminary floor plan for the NICU is provided below, at the end of this response to B.II.A. The equipment cost is estimated at \$500,000.

# Scope of Service

The NICU will care for infants of 32 or more weeks' gestational age, with birth-weights at or above 1500 grams, who have physiologic immaturity or are moderately ill with problems that are expected to resolve rapidly and are not anticipated to need subspecialty services on an urgent basis. It will be capable of stabilizing infants of less than 32 weeks gestational age, or less than 1,500 grams birth-weight, for safe transfer to a higher level of NICU care in Nashville. The unit will provide mechanical ventilator support of less than 24 hours or continuous positive airway pressure or both. It will provide care for infants who are convalescing after more intensive care at other locations.

# Operational Schedule

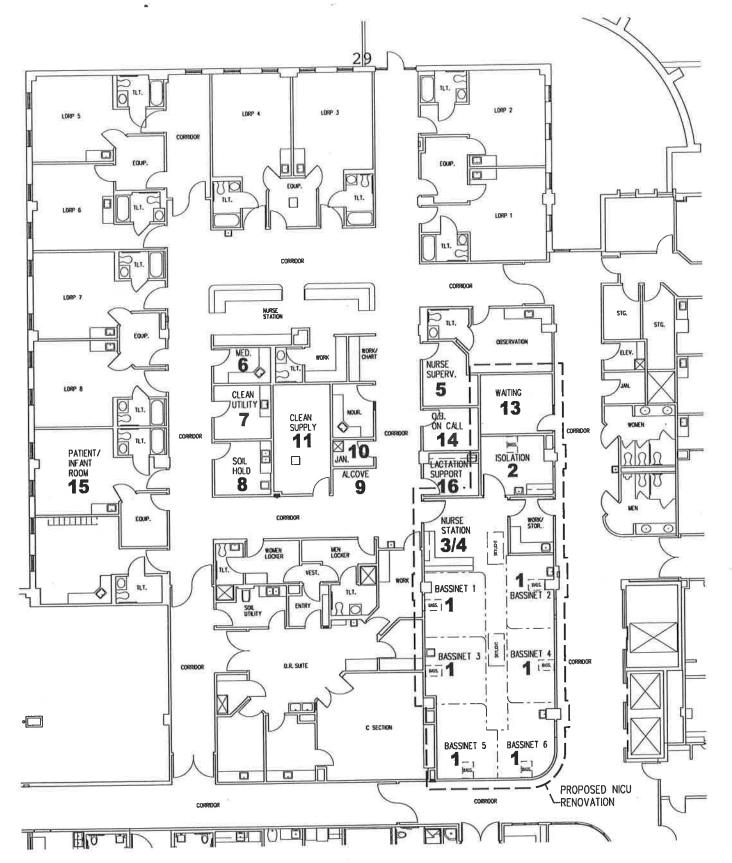
If granted CON approval in early 2016, the project can be completed and opened no later than January 1, 2017. It will be operated 24 hours daily, 7 days a week, as an inpatient acute care Level II nursery.

# Project Cost and Financing

The estimated project cost for CON purposes is \$975,500. This will be entirely funded by the hospital's parent company, HCA, Inc., by means of a cash transfer to TriStar Health System, the local HCA Division office of which TriStar Horizon is a part.

# Ownership of the Applicant

Horizon Medical Center's owner is Central Tennessee Hospital Corporation, a wholly-owned subsidiary of HCA, Inc., whose Tennessee ownership interests are set forth in materials in the Attachments.



## **REQUIRED SPACES:**

- 1. INFANT CUBICLE
- 2. AIRBORNE INFECTION ISOL. RM.
- 3. NURSE STATION
- 4. CHART AREA
- 5. NURSE SUPV. OFFICE
- 6. MED. STATION
- 7. CLEAN WORK
- 8, SOIL HOLD

- 9. EMERGENCY EQUIP. STG.
- 10. ENVIRONMENTAL SERVICE RM.
- 11. EQUIPMENT STORAGE
- 12. STAFF LOCKER/TLT
- 13. VISITOR WAITING
- 14. PHYSICIAN SLEEP
- **15. PATIENT/INFANT ROOM**
- **16. LACTATION SUPPORT**

# Nursery Intensive Care Unit TriStar Horizon

MEDICAL CENTER

Dickson, Tennessee

APPLICANTS WITH HOSPITAL PROJECTS (CONSTRUCTION COST IN EXCESS OF \$5 MILLION) AND OTHER FACILITY PROJECTS (CONSTRUCTION COST IN EXCESS OF \$2 MILLION) SHOULD COMPLETE THE SQUARE FOOTAGE AND COSTS PER SQUARE FOOTAGE CHART.

UTILIZING THE ATTACHED CHART, APPLICANTS WITH HOSPITAL PROJECTS SHOULD COMPLETE PARTS A-E BY IDENTIFYING, AS APPLICABLE, NURSING UNITS, ANCILLARY AREAS, AND SUPPORT AREAS AFFECTED BY THIS PROJECT. PROVIDE THE LOCATION OF THE UNIT/SERVICE WITHIN THE EXISTING FACILITY ALONG CURRENT SQUARE FOOTAGE, WHERE, IF ANY, THE UNIT/SERVICE WILL RELOCATE **TEMPORARILY DURING** CONSTRUCTION RENOVATION, AND THEN THE LOCATION OF THE UNIT/SERVICE WITH PROPOSED SQUARE FOOTAGE. THE TOTAL COST PER SQUARE FOOT SHOULD PROVIDE A BREAKOUT BETWEEN NEW CONSTRUCTION AND RENOVATION COST PER SQUARE FOOT. OTHER FACILITY PROJECTS NEED ONLY COMPLETE PARTS B-E.

Not applicable. The construction involved is much lower than this threshold.

# PLEASE ALSO DISCUSS AND JUSTIFY THE COST PER SQUARE FOOT FOR THIS PROJECT.

Hospital construction projects approved by the HSDA in 2012-2014 had the following construction costs per SF:

Table Two: Hospital Construction Cost PSF Years 2012-2014					
Renovated New Total					
	Construction	Construction	Construction		
1 <sup>st</sup> Quartile	\$110.98/sq ft	\$224.09/sq ft	\$156.78/sq ft		
Median	\$192.46/sq ft	\$259.66/sq ft	\$227.88/sq ft		
3 <sup>rd</sup> Quartile	\$297.82/sq ft	\$296.52/sq ft	\$298.66/sq ft		

Source: HSDA Registry; CON approved applications for years 2012-2014.

This project is renovation only; estimated cost will be \$250 PSF. This is below the third quartile average costs for hospital renovation projects, as compiled by the HSDA Registry.

IF THE PROJECT INVOLVES NONE OF THE ABOVE, DESCRIBE THE DEVELOPMENT OF THE PROPOSAL.

Not applicable.

IF THE PROJECT INVOLVES NONE OF THE ABOVE, DESCRIBE THE DEVELOPMENT OF THE PROPOSAL.

Not applicable.

B.II.B. IDENTIFY THE NUMBER AND TYPE OF BEDS INCREASED, DECREASED, CONVERTED, RELOCATED, DESIGNATED, AND/OR REDISTRIBUTED BY THIS APPLICATION. DESCRIBE THE REASONS FOR CHANGE IN BED ALLOCATIONS AND DESCRIBE THE IMPACT THE BED CHANGE WILL HAVE ON EXISTING SERVICES.

Table Three: Proposed Changes in Assignment of Licensed Hospital Beds at TriStar Horizon Medical Center					
Bed Assignment	Current Assignment	Proposed Assignment (Change)			
General Medical-Surgical	123	117 (-6)			
Critical Care	6	6			
NICU	0	+6			
Obstetrics	9	9			
Psychiatric	7	7			
Rehabilitation	12	12			
Total Licensed Complement	157	157			

The hospital has excess medical-surgical beds that can be de-licensed to offset the licensure of the proposed six NICU bassinets. At this time it would not adversely impact the ability of the hospital to meet area demand for medical-surgical inpatient beds.

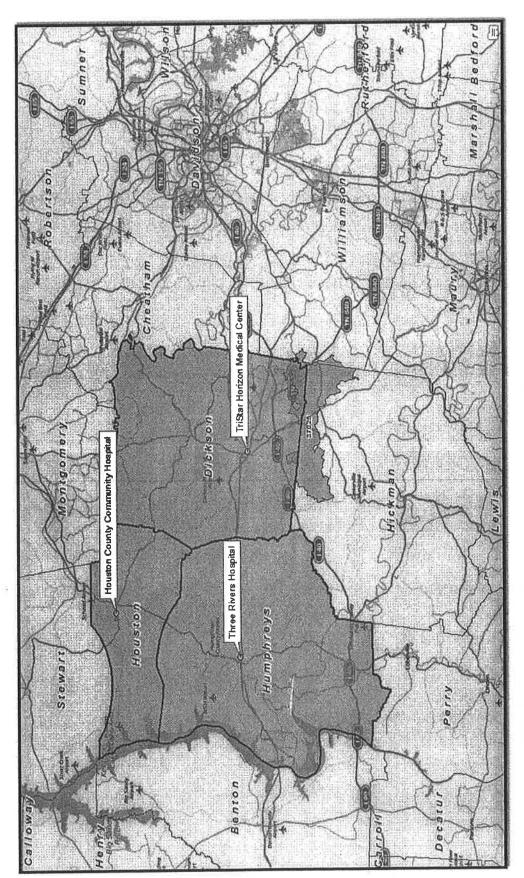
B.II.C. AS THE APPLICANT, DESCRIBE YOUR NEED TO PROVIDE THE FOLLOWING HEALTH CARE SERVICES (IF APPLICABLE TO THIS APPLICATION):

- 1. ADULT PSYCHIATRIC SERVICES
- 2. ALCOHOL AND DRUG TREATMENT ADOLESCENTS >28 DAYS
- 3. BIRTHING CENTER
- 4. BURN UNITS
- 5. CARDIAC CATHETERIZATION SERVICES
- 6. CHILD AND ADOLESCENT PSYCHIATRIC SERVICES
- 7. EXTRACORPOREAL LITHOTRIPSY
- 8. HOME HEALTH SERVICES
- 9. HOSPICE SERVICES
- 10. RESIDENTIAL HOSPICE
- 11. ICF/MR SERVICES
- 12. LONG TERM CARE SERVICES
- 13. MAGNETIC RESONANCE IMAGING (MRI)
- 14. MENTAL HEALTH RESIDENTIAL TREATMENT
- 15. NEONATAL INTENSIVE CARE UNIT
- 16. NON-RESIDENTIAL METHADONE TREATMENT CENTERS
- 17. OPEN HEART SURGERY
- 18. POSITIVE EMISSION TOMOGRAPHY
- 19. RADIATION THERAPY/LINEAR ACCELERATOR
- 20. REHABILITATION SERVICES
- 21. SWING BEDS

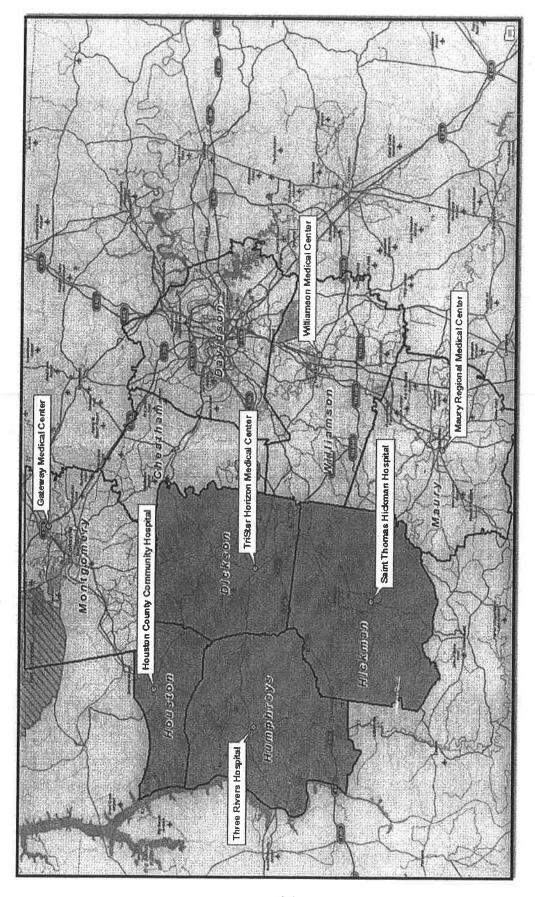
#### The Project's Primary Service Area

The primary service area of this project consists of three adjacent counties, and part of a fourth, in western Middle Tennessee: Dickson, Houston, Humphreys, and zip code 37025 in northern Hickman County. These four counties are situated midway between Nashville and the Tennessee River, on both the north and south sides of I-40, the principal east-west highway across the region. This is a rural service area, in which the largest and fastest-growing county is Dickson County.

Two maps are provided on the following pages. The first map is the project's primary service area, showing the three counties and the northern zip code of the fourth (Hickman). The second map is a larger scale map showing hospitals within the service area counties, and the closest three NICU's outside the service area, in Clarksville, Columbia, and Franklin.



PROJECT SERVICE AREA



COUNTIES UTILIZING THE PROJECT (NORTHERN HICKMAN COUNTY ONLY)

# Perinatal Resources and Activities in the Primary Service Area

As shown in Table Four-A below, the four counties included wholly or partially in the project service area contain only <u>one</u> obstetrics and nursery care provider--TriStar Horizon Medical Center in Dickson (Dickson County). There are three other acute care hospitals in those counties--Houston County Community Hospital in Erin (Houston County; Three Rivers Hospital in Waverly (Humphreys County); and Saint Thomas Hickman County Hospital in Centerville. All are25-bed Critical Access Hospitals. The Erin and Waverly hospitals have both expressed strong support for this application.

Table Four-A: Obstetrics and Nursery Services in Service Area Counties					
County	City	Hospital	Beds	OB	Nursery
Dickson	Dickson	TriStar Horizon Medical Center	157	yes	Level I
Humphreys	Waverly	Three Rivers Community Hospital	25	none	
Houston	Erin	Houston Co. Community Hospital	Co. Community Hospital 25 none		
Hickman*	Centerville	St. Thomas Hickman Co. Hospital	25	n	one

<sup>\*</sup> Only the Dickson, Erin, and Waverly hospitals are in this project's defined primary service area, which in Hickman County includes only zip code 37025. Centerville and most of Hickman County are not in the defined service area. The Centerville hospital is shown as additional information.

Tennessee Department of Health and THA data show that each year the service area generates almost a thousand births, and several hundred Level II-III cases of NICU care. Table Four-B below shows the past two years of such activity.

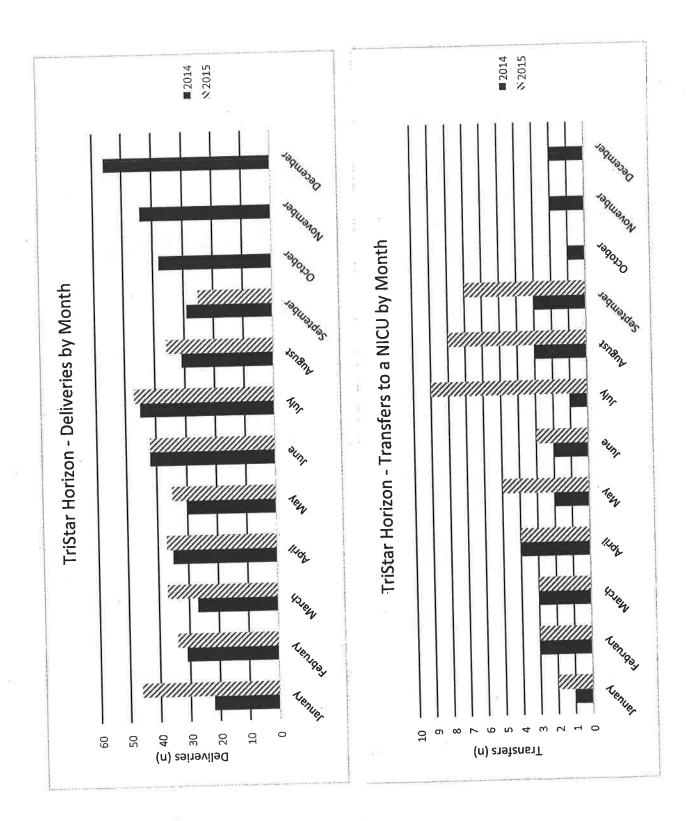
Primary Service Area	2012		2013		2014	
	Births	NICU Infants	Births	NICU Infants	Births	NICU Infants
Dickson County	570	179	619	217	625	227
Humphreys County	219	52	198	69	187	50
Houston County	74	18	73	29	96	34
Zip Code 37025 in Hickman County	73	23	89	23	79	23
Totals	936	272	979	338	987	334
NICU Infants as % of Births		29.1%		34.5%		33.8%

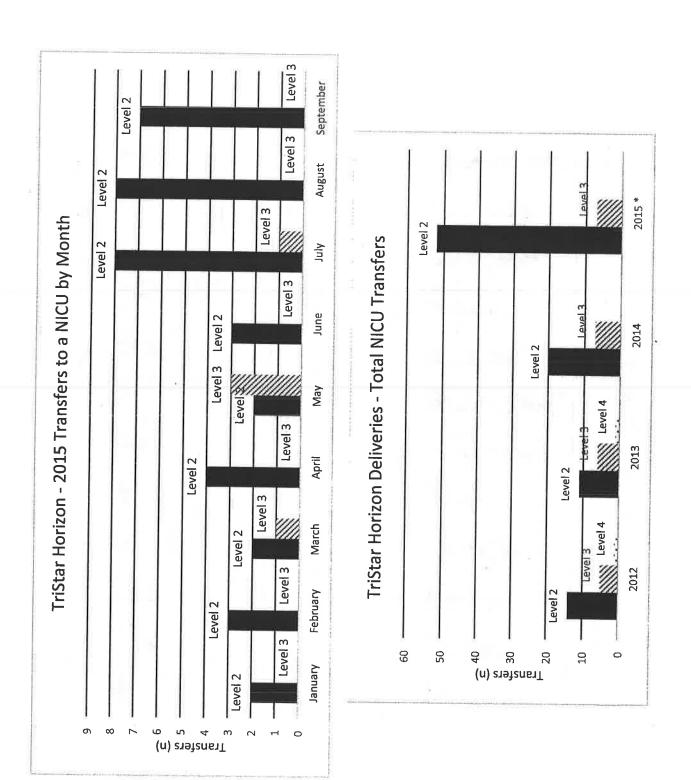
Source: TDH for county births; THA for zip code births; THA for NICU DRG's.

This birth and NICU data for YTD 2015 is not yet available for the entire service area. However, TriStar Horizon's physicians have steeply increased Horizon's own neonatal transfers to Level II care in CY2015. This is largely due to a nationwide change in neonatal care practice triggered by a 2015 study in the Journal of the American Medical Association (see Attachments). The study looked at fourth grade achievement test scores of newborns who had persistent low blood sugar levels (hypoglycemia) following their births. The pediatric community now believes that the duration of newborn hypoglycemia may affect cognitive abilities later in the child's life.

In the past, Level I units typically kept hypoglycemic infants up to two days to stabilize their blood sugar levels. But within the past year, Level I units like Horizon's have initiated neonatal transport to a Level II NICU for more rapid resolution of the problem, if the newborn's hypoglycemia cannot be normalized/stabilized on-site within 12 hours of birth. The bullets below illustrate the changed landscape for this service within the past year. They are graphically illustrated on the following four pages.

- In CY 2014, Horizon transferred 27 neonates to NICU's in the region. In the *first nine months* of CY2015, Horizon has transferred 44 neonates, which annualizes to an estimated 59 transfers by the end of CY 2015 (of which 52 will be for Level II care). This will be more than a doubling of transfers in less than a year's time.
- Transfers for Level II care have increased steadily during CY2015. In January there were 2 transfers to Level II care; in April there were 4; in July there were 8.
- In 2015, the total transfers as a percent of births at Horizon increased from 4.3% in January, to 14.3% in May, and to 25.9% in September.
- Year over year, the transfer rate for TriStar Horizon inborns has increased from under
   5% in 2012 to approximately 13% in YTD 2015 (Jan-Sep); in September it reached 26%.

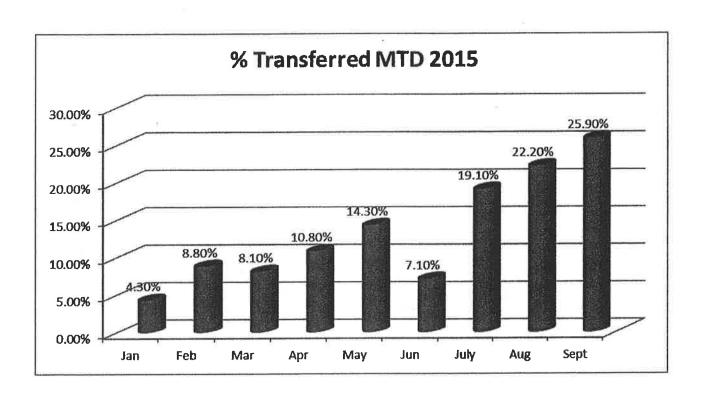




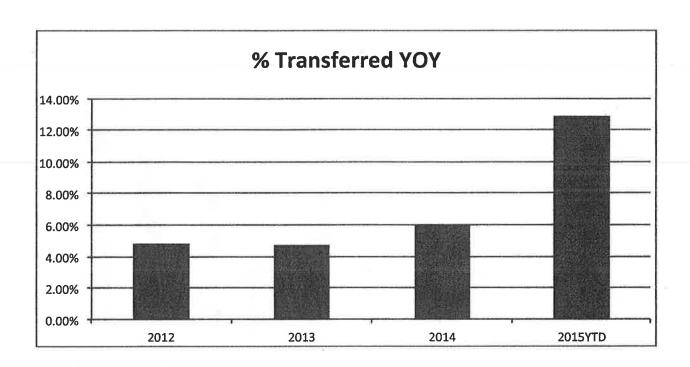
TriStar Horizon Medical Center

Percent of Newborns Transferred to NICU By Month

YTD 2015



# TriStar Horizon Medical Center Percent of Newborns Transferred to NICU By Year 2012-2015



#### The Difficulties of Utilizing Out-of-Area Other Programs for Level II Care

These ambulance transfers to remote locations far from the project service area are expensive to the health care system. Above all, they impose major emotional and physical burdens on the families of these infants, who need to visit their baby daily during the average 13-day Level II stay. The drive times and distances to existing Level II programs are very burdensome for persons making daily or frequent round trips to those programs for a period of almost two weeks (which can be three weeks for some).

Table Four-C below illustrates the large reductions in drive time that a Level II program in Dickson will provide to area families. Compared to the five closest Level II NICU's, families coming from the major communities in the service area will save between one and two hours' daily drive time for 15 of the 20 round trips listed; and at least a half hour drive time reduction for the other 5 round trips.

Table Four-	-C: Round-	Trip Drive T	imes From S	Service Area	Communitie	es To The
	Pro	ject and to th	ie Closest Ex	cisting NICU	's	
Primary Service Area Community (County)	RT Horizon Med. Center (Dickson)	RT Centennial Med. Center (Nashville)	RT Saint Thomas Midtown (Nashville)	RT Vanderbilt Med. Center (Nashville)	RT Maury Reg'l Med. Center (Columbia)	RT Gateway Med. Center (Clarksv.)
Dickson (Dickson Co.)	8"	1 hr 36 "	1 hr 36 "	1 hr 24"	1 hr 48"	2 hrs 2"
Waverly (Humph. Co.)	1 hr 20"	2 hrs 46 "	2 hrs 46 "	2 hrs 36"	3 hrs	2 hrs 24"
Zip 37025 (Hickman Co.)	38"	1 hr 26"	1 hr 26"	1 hr 4"	1 hr 18"	2 hrs 34"
Erin (Houston Co.)	1 hr 12"	2 hrs 46"	2 hrs 46"	2 hrs 52"	2 hrs 2"	1 hr 42"

Source: Google Maps.

#### Why the Proposed Level II NICU at Dickson is Needed

In the central area of western Middle Tennessee, north and south of I-40, TriStar Horizon provides the only obstetrics and nursery service between Nashville and Jackson (a distance of 140 miles). The hospital's obstetrics patient origin (shown in a later section of this application) documents the geographically large swath of counties far to the west of Nashville that rely substantially on TriStar Horizon for maternal and infant

care. Hospital and physician letters of support from those counties document the importance to this "sub-region" of having Level II neonatal care available in Dickson.

A Level II designation will actually not require a major change in staffing at the Horizon nursery. Until 2015, Horizon was able to care successfully for area newborns that had low blood sugar problems; the hospital already has neonatal nurse practitioners supervising its nursery care and 24/7 availability of neonatologists. But beginning in 2015, without a formal "Level II" designation (which requires CON approval), Horizon now must transfer such infants to Nashville Level II programs due to the nationwide change in pediatric transfer protocols. Much of the value of this project to service area residents will be to allow TriStar Horizon to resume caring for their babies who have needs that Horizon's nursery program successfully addressed prior to CY2015. And of course, the Level II program will allow TriStar Horizon to care for some area newborns than it could not care for even prior to 2015.

A Level II designation is essential to the future viability of obstetricians practicing in this area west of Nashville. Increasingly, mothers who are able to travel are choosing to bypass closer obstetrics programs if necessary to reach a program with Level II care, in the event that their infants might need it. Without the Level II designation, the viability of TriStar Horizon's current program will be steadily eroded and the area may not be able to maintain the number of obstetricians that are currently serving there or are being recruited.

The Level II designation at TriStar Horizon in Dickson will make it easier for service area families to be closer to their infants during the long periods of care required (average length of stay in this Level II unit will be 13 days). Easier access to the care site reduces the emotional burden of separation of a newborn from its parents for prolonged periods. It greatly reduces wearying drive times at a time when strain is heavy on concerned families.

The program upgrade to Level II will also eliminate scores of expensive neonatal transports to Nashville facilities--which mushroomed this year due to the new pediatric transfer protocols for newborns with persistent blood sugar deficiencies. The current average cost of transporting an infant from Horizon to the Centennial NICU in Nashville

and back again is very expensive (the neonatal transport vehicle is dispatched from Nashville and returns to Nashville with the baby). Having a Level II program at Horizon will also allow Horizon's nursery to accept "back-transfers" of infants who are completing a Level III stay in Nashville, and are sufficiently stabilized to be cared for in a less intensive Level II nursery closer to their parents' homes.

# B.II.D. DESCRIBE THE NEED TO CHANGE LOCATION OR REPLACE AN EXISTING FACILITY.

Not applicable. The project does not involve any change of location or replacement of facilities.

B.II.E. DESCRIBE THE ACQUISITION OF ANY ITEM OF MAJOR MEDICAL EQUIPMENT (AS DEFINED BY THE AGENCY RULES AND THE STATUTE) WHICH EXCEEDS A COST OF \$2.0 MILLION; AND/OR IS A MAGNETIC RESONANCE IMAGING SCANNER (MRI), POSITRON EMISSION TOMOGRAPHY (PET) SCANNER, EXTRACORPOREAL LITHOTRIPTER AND/OR LINEAR ACCELERATOR BY RESPONDING TO THE FOLLOWING:

- 1. For fixed site major medical equipment (not replacing existing equipment):
  - a. Describe the new equipment, including:
    - 1. Total Cost (As defined by Agency Rule);
    - 2. Expected Useful Life;
    - 3. List of clinical applications to be provided; and
    - 4. Documentation of FDA approval.
  - b. Provide current and proposed schedule of operations.
- 2. For mobile major medical equipment:
  - a. List all sites that will be served;
  - b. Provide current and/or proposed schedule of operations;
  - c. Provide the lease or contract cost:
  - d. Provide the fair market value of the equipment; and
  - e. List the owner for the equipment.
- 3. Indicate applicant's legal interest in equipment (e.g., purchase, lease, etc.) In the case of equipment purchase, include a quote and/or proposal from an equipment vendor, or in the case of an equipment lease provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments.

Not applicable. The project will not require the addition of major medical equipment as defined statutorily and in HSDA rules.

B.III.A. ATTACH A COPY OF THE PLOT PLAN OF THE SITE ON AN 8-1/2" X 11" SHEET OF WHITE PAPER WHICH MUST INCLUDE:

- 1. SIZE OF SITE (IN ACRES);
- 2. LOCATION OF STRUCTURE ON THE SITE;
- 3. LOCATION OF THE PROPOSED CONSTRUCTION; AND
- 4. NAMES OF STREETS, ROADS OR HIGHWAYS THAT CROSS OR BORDER THE SITE.

PLEASE NOTE THAT THE DRAWINGS DO NOT NEED TO BE DRAWN TO SCALE. PLOT PLANS ARE REQUIRED FOR ALL PROJECTS.

See Attachment B.III.A.

October 29, 2015

B.III.B.1. DESCRIBE THE RELATIONSHIP OF THE SITE TO PUBLIC TRANSPORTATION ROUTES, IF ANY, AND TO ANY HIGHWAY OR MAJOR ROAD DEVELOPMENTS IN THE AREA. DESCRIBE THE ACCESSIBILITY OF THE PROPOSED SITE TO PATIENTS/CLIENTS.

The project will be on the second floor of TriStar Horizon Medical Center, located in Dickson, Tennessee on Highway 70 East, one block east of its intersection with Highway 46. The hospital has been at that location for decades and is well known to residents of the project service area, who are generally within 45 minutes' drive of the hospital. Service area residents coming from outside Dickson County can reach TriStar Horizon Medical Center by way of I-40 (5.5 miles from the hospital via Highway 46), Highway 49/46 (from Erin), Highway 46 (from north Hickman County), and Highway 70 (from Waverly). Dickson County residents can reach the hospital in Dickson by more than four State and county highways.

Table Five-A below shows the drive times and distances between the project and the major communities in the primary service area, and comparable drive times and distances to the closest existing NICU's north, east, and south of the project. To highlight the real accessibility issue for families making daily trips to a NICU to be with their infants, Table Five-B on the following page shows *round-trip* drive times for those points. TriStar Horizon's NICU will provide significant improvement in round-trip drive times for service area residents—between one to two hours drive time reduction for 15 of the 20 current options; a half hour or more drive time reduction for all the other options.

Table Five-A	: One	-Way	Distan	ces an	d Driv	e Tim	es Fro	m Ser	vice A	rea C	ommu	nities
	T	o The	Projec	et and	to the	Closes	st Exis	ting N	ICU's			
Primary Service Area Community (County)	To Horizon Med. Center (Dickson)  To Centennial Med. Center (Nashville)		To Saint Thomas Midtown (Nashville)		To Vanderbilt Med. Center (Nashville)		To Maury Reg'l Med. Center (Columbia)		To Gateway Med. Center (Clarksville)			
	Mi.	Min	Mi.	Min	Mi.	Min	Mi.	Min	Mi.	Min	Mi.	Min
Dickson												
(Dickson Co.)	0.9	4"	39.7	48"	39.8	48"	37.8	42"	41.3	54"	40.5	62"
Waverly						3,1						
(Humph. Co.)	29.3	40"	68.1	83"	68.2	83"	66.3	78"	69.7	90"	52.5	72"/
Zip 37025												
(Hickman Co.)	9.8	19"	39.4	43"	42.0	43"	41.9	32"	32.9	39"	50.3	77"
Erin												
(Houston Co.)	29.6	41"	68.4	83"	74.3	83"	75.0	86"	70.1	91"	34.2	51"

Source: Google Maps.

Table Five-		Trip Drive T ject and to th				s To The
Primary Service Area Community (County)	RT Horizon Med. Center (Dickson)	RT Centennial Med. Center (Nashville)	RT Saint Thomas Midtown (Nashville)	RT Vanderbilt Med. Center (Nashville)	RT Maury Reg'l Med. Center (Columbia)	RT Gateway Med. Center (Clarksville)
Dickson (Dickson Co.)	8"	1 hr 36 "	1 hr 36 "	1 hr 24"	1 hr 48"	2 hrs 2"
Waverly (Humph. Co.)	1 hr 20"	2 hrs 46 "	2 hrs 46 "	2 hrs 36"	3 hrs	2 hrs 24"
Zip 37025 (Hickman Co.)	38"	1 hr 26"	1 hr 26"	1 hr 4"	1 hr 18"	2 hrs 34"
Erin (Houston Co.)	1 hr 12"	2 hrs 46"	2 hrs 46"	2 hrs 52"	2 hrs 2"	1 hr 42"

Source: Google Maps.

B.IV. ATTACH A FLOOR PLAN DRAWING FOR THE FACILITY WHICH INCLUDES PATIENT CARE ROOMS (NOTING PRIVATE OR SEMI-PRIVATE), ANCILLARY AREAS, EQUIPMENT AREAS, ETC.

See attachment B.IV.

#### IV. FOR A HOME CARE ORGANIZATION, IDENTIFY

- 1. EXISTING SERVICE AREA (BY COUNTY);
- 2. PROPOSED SERVICE AREA (BY COUNTY);
- 3. A PARENT OR PRIMARY SERVICE PROVIDER;
- 4. EXISTING BRANCHES AND/OR SUB-UNITS; AND
- 5. PROPOSED BRANCHES AND/OR SUBUNITS.

Not applicable. The application is not for a home care organization.

#### C(I) NEED

- C(I).1. DESCRIBE THE RELATIONSHIP OF THIS PROPOSAL TO THE IMPLEMENTATION OF THE STATE HEALTH PLAN AND TENNESSEE'S HEALTH: GUIDELINES FOR GROWTH.
- A. PLEASE PROVIDE A RESPONSE TO EACH CRITERION AND STANDARD IN CON CATEGORIES THAT ARE APPLICABLE TO THE PROPOSED PROJECT. DO NOT PROVIDE RESPONSES TO GENERAL CRITERIA AND STANDARDS (PAGES 6-9) HERE.
- B. APPLICATIONS THAT INCLUDE A CHANGE OF SITE FOR A HEALTH CARE INSTITUTION, PROVIDE A RESPONSE TO GENERAL CRITERION AND STANDARDS (4)(a-c).

#### Project -Specific Review Criteria: Neonatal Intensive Care Unit

(Current Guidelines for Growth)

- 1. The total number of neonatal intensive and intermediate care beds should not exceed eight beds per 1,000 live births per year in a defined neonatal service area.
- 2. The need shall be based upon the current year's population projected four years forward.

The following page provides the Tennessee Department of Health's current projection of licensed NICU beds needed for each county in the Middle Tennessee Perinatal Region. The projection is made each year in accordance with these first two CON Guidelines.

TDH projects the following bed needs for counties in this project's primary service area. A 6-bed NICU at this hospital is consistent with the bed need projections for Dickson, Houston, and Humphreys Counties alone (8 beds), without even considering the needs in northern Hickman County.

Dickson County	5 beds
Hickman County	2 beds
Houston County	1 bed
Humphreys County	2 beds
	10 beds

Sep 8, 2015

Proj. Bed

NUMBER OF RESIDENT BIRTHS WITH GENERAL FERTILITY RATES (TOTAL BIRTHS-ALL AGES PER 1,000 FEMALES AGED 15-44) FOR COUNTIES OF TENNESSEE, RESIDENT DATA, 2014

TOR GOODING OF TERME	TOTAL			
COUNTY	NUMBER	RATE		
REGION	34,228	64.9		
BEDFORD	640	71.6		
CANNON	142	60.0		
CHEATHAM	469	63.7		
CLAY	74	63.0		
COFFEE	693	70.6		
DAVIDSON	10,275	65.3		
DEKALB	235	70.5		
DICKSON	625	66.2		
FRANKLIN	399	52.5		
GILES	303	59.9		
HICKMAN	283	67.5		
HOUSTON	96	65.8		
HUMPHREYS	187	59.9		
JACKSON	90	47.4		
LAWRENCE	582	77.7		
LEWIS	155	75.7		
LINCOLN	339	59.1		
MACON	342	78.5		
MARSHALL	380	64.5		
MAURY	1,130	68.9		
MONTGOMERY	3,453	77.9		
MOORE	52	48.6		
OVERTON	227	60.2		
PERRY	121	95.7		
PUTNAM	862	57.2		
ROBERTSON	884	67.9		
RUTHERFORD	4,001	60.0		
SMITH	237	69.0		
STEWART	130	58.2		
SUMNER	2,122	63.9		
TROUSDALE	97	65.4		
VAN BUREN	61	68.3		
WARREN	477	66.4		
VAZANZACIE	153	60.9		

WAYNE

WILSON

WHITE

WILLIAMSON

Est 2019	
15-44 Pop.	Births
559,818	36,308
9,619	689
2,341	141
7,255	462
1,125	71
10,145	716
163,605	10,682
3,285	232
9,783	647
7,582	398
4,960	297
4,376	295
1,518	100
3,155	189
1,838	87
7,488	582
2,128	161
5,705	337
4,312	338
6,210	401
16,829	1,160
49,798	
1,141	55
3,939	237
1,304	125
16,452	942
14,270	
77,027	4,621
3,634	251
2,289	
34,452	
1,553	
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24,370	1,014

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Current Year Population Estimates Source: Tennessee Department of Health, Division of Policy, Planning and Assessment.

Projections Data Source: The University of Tennessee Center for Business and Economic Research Population Projection Data Files, Reassembled by the Tennessee Department of Health, Division of Policy, Planning and Assessment.

Note: These data will not match the University of Tennessee Data exactly due to rounding.

Report Prepared By: Tennessee Department of Health, Division of Policy, Planning and Assessment.

60.9

67.3

55.7

62.1

153 304

2,149

1,459

3. A single neonatal special care unit shall contain a minimum of 15 beds. This is considered to be the minimum necessary to support economical operation of this service. An adjustment in the number of beds may be justified due to geographic remoteness.

It should be noted that this is an "economic" criterion that makes assumptions about economic feasibility. It is not a criterion that correlates bed complements with quality of patient care. The financial projections for the unit and the hospital document that this particular 6-bed nursery project, staffed and operated in full compliance with Perinatal Care Guidelines, will be financially feasible. That fact, and the project's benefits to rural families who live long drives from existing NICU's, justify the exception offered by this criterion.

4. The applicant shall designate a specific service area that is compatible with Department of Health guidelines pertaining to this service.

The application defines a specific primary service area: Dickson, Houston, and Humphreys Counties, and the northern edge of Hickman County in approximately zip code 37025. This primary service area is part of the 37-county Middle Tennessee Perinatal Region designated by the Tennessee Department of Health. The great majority of residents of the defined primary service area are significantly closer to the project site in Dickson than to any existing NICU in counties outside the area.

5. The applicant should demonstrate the ability to comply with the standards developed in the Tennessee Perinatal Care System Guidelines for Regionalization, Hospital Care Levels, Staffing, and Facilities.

The applicant does and will comply with the standards. A 12-page written response to the Perinatal Care System Guidelines for a Level II Nursery (as set forth in the Seventh Edition 2014) is provided below. It demonstrates that the project will meet or exceed every standard in the Guidelines. Also included in the Attachments to the application are educational and training documents relating to staff competencies and certifications.

The NICU's Medical Director, Dr. Ismail, is a highly-trained, Board-certified Neonatologist whose Fellowship training was at the Medical College of Virginia. He has served for years as the Medical Director of the Level III Nursery and Regional Neonatal Transport Service operated by TriStar Centennial Women's and Children's Hospital in Nashville. His practice group, Pediatrix, directs medical care at five NICU's in the region, through two related Neonatology group practices.

The TriStar Horizon Medical Center NICU will be staffed 24/7 by Pediatrix neonatal nurse practitioners and with NICU-trained RN's. It will comply with staffing ratios in the Perinatal Care Guidelines, which vary with the type of medical care needed by each infant. All staff education and training, and maintenance of staff competencies, will meet or exceed the Guidelines. The unit will work closely with the TriStar Centennial Women's and Children's Hospital NICU in development, staff selection and training, and operations. The TriStar Horizon unit will share in the regional HCA electronic medical records and imaging system, and will have access to telemedicine consultations with physician subspecialists and staff at TriStar Centennial.

- 6. The target population shall have access to the proposed service in terms of payment for services, transportation, parking, geographical barriers, and access for the handicapped.
- 1. Payment for Services—The unit will be totally financially accessible. TriStar Horizon's policy, like that of the NICU at TriStar Centennial Women's and Children's Hospital, will be to provide all needed NICU care regardless of insurance coverage. It should also be noted that Tennessee newborns who need NICU care have, or can be quickly enrolled in, insurance plans from TennCare or a commercial source.
- 2. <u>Transportation</u>—Through its TriStar Centennial Women's and Children's Hospital, HCA operates a region-wide emergency neonatal transport service that can meet neonatal transport needs in the project service area. A vehicle is on call 24/7 and can leave for its destination within 30 minutes of a request. Typically it will carry a neonatal nurse practitioner, a registered nurse, and (if respiratory support may be needed) a respiratory therapist. In addition, TriStar Horizon Medical Center has a helipad for use in air ambulance transports should that be necessary.

3. <u>Parking, Handicapped Access, Geographic Barriers</u>--None of these is an issue at TriStar Horizon Medical Center, which is fully handicapped-accessible with generous surface parking available. No geographic barriers exist within this designated primary service area to impede families or ground or air ambulances reaching the hospital from any point in the service area.

Following this page is the applicant's 12-page response to how the TriStar Horizon perinatal care program does, and will, conform to the most current (2014) Perinatal Standards referenced in the response to Criterion #5 above. That document will conclude the applicant's response to current CON Guidelines for the project.

However, after that document, the applicant has included a summary response to draft TDH Neonatal Care criteria for CON review, which are presently in the State public review and comment period, prior to finalization and incorporation into next year's State Health Plan. The language of these draft standards and criteria are paraphrased by the applicant, for brevity.

TDH says that these draft criteria will not be completed and adopted as part of the State Health Plan in time to apply to this application's review by the HSDA. However, Horizon would like to demonstrate how its proposed Level II program will be in compliance with these new standards, as well as with the currently applicable Guidelines for Growth.

# TRISTAR HORIZON MEDICAL CENTER'S PROPOSED LEVEL II NURSERY: COMPLIANCE WITH THE TENNESSEE PERINATAL CARE SYSTEM GUIDELINES FOR LEVEL II NEONATAL FACILITIES (Seventh Edition, April 24, 2014)

LEVEL II UNITS (DEFINITION)

Level II nurseries provide specialty neonatal services. They provide care for infants born > 32 weeks gestation and weighing  $\ge 1500$  grams who have physiologic immaturity or who are moderately ill with problems that are anticipated to resolve rapidly and are not anticipated to need subspecialty services on an urgent basis. Level II units also have the capability to provide mechanical ventilation for brief durations (< 24 hours) or continuous positive airway pressure.

Response: The addition of 6 Level II NICU beds to TriStar Horizon Medical Center will meet or exceed the standards of the State Perinatal Care System Guidelines ("Guidelines" in this document).

The NICU program will consist of a Level II Special Care nursery with the full range of equipment and staff expertise per Guidelines. Medical direction of neonatal care will be provided by neonatologists (pediatricians board-certified as neonatologists and neonatology/perinatal medicine specialists), and Board-certified neonatal nurse practitioners.

The NICU will continue TriStar Horizon Medical Center's philosophy and dedication to Family Centered Care. The nursery will provide parents the opportunity to participate in the care and nurturing of their newborn. We support non-separation of mother and baby because of its many benefits, both short and long term, including facilitation of breast-feeding.

#### LEVEL II FACILITIES - NEONATAL

#### I. INTRODUCTION

Level II nurseries provide specialty neonatal services.

Level II units have the capabilities of Level I nurseries, plus:

- Provide care for infants born  $\geq$  32 weeks' gestation and weighing  $\geq$  above 1500 grams, who have physiologic immaturity or who are moderately ill with problems that are expected to resolve rapidly and are not anticipated to need subspecialty services on an urgent basis.
- Provide mechanical ventilation for brief duration (<24 hrs) or continuous positive airway pressure or both.
- Stabilize infants born at <32 weeks' gestation and weighing <1500 grams until transfer to a neonatal intensive care facility.
- Provide care for infants who are convalescing after intensive care.

(American Academy of Pediatrics Levels of Neonatal Care, 2012)

Complies. TriStar Horizon Medical Center will comply with the above capabilities upon CON approval and addition of six Level II NICU beds.

#### II. SERVICES PROVIDED

A. Educational Services

Educational services should include the following:

1. <u>Parent Education</u>: Ongoing perinatal education programs for parents.

Complies. Comprehensive breastfeeding education programs are provided to the community through certified instructor. A lactation consultant is available 5 days per week. Special printed materials are also available to educate our patients on various pregnancy complications. During the inpatient phase, personalized mother/baby instruction is provided.

Upon addition of a six bed Level II NICU, all parents taking NICU infants home will be instructed in infant CPR and will room in with their infants at least one night prior to discharge, to become comfortable with assuming routine care responsibilities. They also will receive specialized instruction as needed, e.g., in administering medications, operating home apnea monitors, etc. Comprehensive perinatal education programs will be provided to the community through certified instructors, e.g., preparation for labor, newborn care, sibling classes.

2. Nurse's Education: Programs for nurses that conform to the latest edition of the *Tennessee Perinatal Care System Educational Objectives for Nurses, Level II*, for neonatal nurses, published by the Tennessee Department of Health. These neonatal courses should be made available periodically at Level II facilities by instructors on staff of that institution and/or the staff from a Regional Perinatal Center. Courses may also transpire at a Regional Perinatal Center or at another site remote from the Level II hospital, thus requiring that the hospital provide nurses with educational leave for attendance. Level II hospitals are responsible for the necessary arrangements for nurse education. Nurses caring for infants on mechanical ventilator support in Level II units must be educated according to the guidelines specified for Level III, neonatal.

Complies. All nursery RN's are currently required to complete the Perinatal Educational Objectives for Level II nurses and to maintain S.T.A.B.L.E. certification. RN's and RT's maintain certification in neonatal resuscitation and complete comprehensive initial orientation competencies. Continuing education at all levels is provided by the medical staff (neonatologists) and by neonatal nurse practitioners. This includes education and training in breastfeeding.

TriStar Horizon Medical Center is part of the HCA network of hospitals and has the unique opportunity for RN's to utilize education mentoring, shared staffing, policy and protocol resources from HCA's corporate Women's & Children's Department, and from HCA TriStar Level II and Level III nurseries in the Nashville market.

Prior to opening the six bed Level II NICU, the Horizon NICU's RN and Respiratory Therapy staff, and its Ultrasaound staff, will receive additional training in the NICU at TriStar Centennial Women's and Children's Hospital's

Level III neonatal nursery. Under the oversight of Centennial NICU nurses, Horizon RN's and Respiratory Therapists will complete an initial orientation and will receive ongoing training until they achieve the competencies required to care for Level II newborns. The RN's will also complete the Level III neonatal course.

There will be an NNP (neonatal nurse practitioner) staffed at TriStar Horizon Medical Center 24/7 to provide specialized care and oversight to the NICU patients. The NNP will also provide ongoing patient care oversight, support, and training to the NICU RN's and Respiratory staff.

3. <u>Physicians' Education</u>: Educational opportunities for physicians should be available upon request, provided by the instructional staff of the Regional Perinatal Center and by qualified individuals on the staff of the Level II institution.

Complies. At the physician/NNP level, the contracted Neonatologists and Neonatal Nurse Practitioners will complete continuing education courses to maintain certification and keep abreast of new methods and treatments to ensure optimal patient outcomes. The neonatology practice that will lead the unit's patient care is an experienced group of clinicians who maintain their competencies in the 60-bed Level III unit at the TriStar Centennial Women's and Children's Hospital in Nashville.

4. All neonatal care providers should maintain both current NRP and S.T.A.B.L.E. provider status.

Complies. All neonatal care providers currently maintain NRP and S.T.A.B.L.E. certification.

#### B. Ancillary Services

- 1. <u>Laboratory Services</u>: Laboratory capabilities should include but not be limited to the following:
  - a. Routine Availability
    - Clotting factors
    - Serum total protein
    - Serum albumin
    - Serum IgM
    - Serum triglycerides (for parenteral nutrition)

- Metabolic screen
- Liver function tests
- Serologic test for syphilis
- Serology for hepatitis
- Screening for HIV
- TORCH titers
- Viral cultures

## b. Available 24 Hours-7 Days Per Week

- Hematocrit
- Hemoglobin
- Complete blood count
- Reticulocyte count
- · Blood typing: major groups and Rh
- Cross match
- Minor blood group antibody screen
- Coombs' test
- Prothrombin time
- Partial thromboplastin time
- Platelet count
- Fibrinogen concentration
- · Serum sodium, potassium, chloride
- Serum calcium
- Serum phosphorus
- Serum magnesium
- Serum or blood glucose
- Therapeutic drug levels
- Serum bilirubin, total and direct
- Blood gases/pH
- Blood urea nitrogen
- Serum creatinine
- Serum/urine osmolatities
- Urinalysis
- Cerebrospinal fluid: cells, chemistry
- Bacterial cultures and sensitivities
- C-reactive protein (CRP)
- Gram stain
- Toxicology
- Group B strep screening

Complies. TriStar Horizon Medical Center currently has all of these testing capabilities available.

2. <u>Blood Bank Services</u>: Blood bank services should be maintained at all times. An appropriately trained technician should be in-house 24 hours daily. All blood components must be available on an emergency basis, either on the premises or by pre-arrangement with another facility.

Complies. TriStar Horizon Medical Center currently has this service available.

#### C. Consultation and Transfer

The Level II facilities should maintain an active relationship with a Level III or Level IV facility in the region for consultation and transfer. Protocols for transport should conform to the most recent edition of the *Tennessee Perinatal System Guidelines on Transportation*, published by the Tennessee Department of Health.

Neonatal Consultation and Transport: When the severity of an illness requires a level of care that exceeds the capacity of the Level II facility, the infant should be transferred to a Level III institution capable of providing required care. Transport of these infants should be provided after consultation with the receiving Level III or Level IV unit. Refer to the most recent edition of the Tennessee Perinatal Care System Guidelines on Transportation, published by the Tennessee Department of Health, for more information.

Complies. TriStar Horizon Medical Center currently has transfer relationships with a Level III and a Level IV facility within Middle Tennessee (TriStar Centennial Medical Center and Vanderbilt University Medical Center, respectively). These facilities are prepared to accept neonatal transports if the newborn's condition requires a higher level of care. All newborns transported from Horizon will be evaluated by a neonatal care provider prior to transport. Transfers occur routinely at the present time, in conformity to the Tennessee Perinatal Care System Guidelines on Transportation.

#### D. Maintenance of Data

The following items represent the minimum information that should be in medical records maintained at Level II facilities.

- Name, gender, hospital medical record number
- Date of birth

- Birthweight
- Gestational age
- Apgar scores (per current NRP guidelines)
- Maternal complications (test results relevant to neonatal care; maternal illness potentially affecting the fetus; history of illicit substance use or any other known socially highrisk circumstances; complications of pregnancy associated with abnormal fetal growth, fetal anomalies, or abnormal results from tests of fetal well-being; information regarding labor and delivery; and situations in which lactation may be compromised)
- Discharge diagnosis
- Special care administered (specify)
- Documentation of newborn metabolic, hearing and critical congenital heart disease (CCHD) screens, and immunizations and medications given
- Bilirubin screen (according to American Academy of Pediatrics guidelines)
- Disposition
  - Discharged home
  - O Transferred to a higher level of care / Receiving hospital / Transport service
  - o Expired

Complies. TriStar Horizon Medical Center currently maintains all of the documentation listed above in the patient's medical record.

### III. PERSONNEL: QUALIFICATIONS AND FUNCTIONS

Requirements for adequate staffing are based upon the assumption that patients will be transferred to a Level III or Level IV facility when their illnesses necessitate a level of care that exceeds the capability of Level II facilities. Level II facilities must have the personnel (e.g. physicians, specialized nurses, respiratory therapists, radiology technicians, laboratory technicians) and equipment (e.g., portable chest radiograph, blood gas laboratory) continuously available to provide ongoing care as well as to address emergencies. When the unit has an infant on a ventilator, specialized personnel must be available on site to manage respiratory emergencies.

#### A. Physicians

1. In a Level II hospital, a board-certified pediatrician with subspecialty certification in neonatal-perinatal medicine should be chief of the neonatal care service.

Complies. Dr. Sami Ismail, board certified neonatologist with Pediatrix, one of the region's largest neonatology organizaions, is currently the Medical Director of TriStar Horizon's Level I nursery. He has served as the Medical Director for the nursery since 2005. Upon the addition of a six-bed Level II NICU, he will continue to serve as Medical Director. Dr. Ismail joined the medical staff of Centennial Medical Center in 1989 as the Director of Neonatology. He continues to maintain that position. The following is a list of positions that he has held:

- Director of 60-bed Newborn Intensive Care Unit at TriStar Centennial Women's and Children's Hospital
- Director of Centennial's NICU Regional Transport Services
- Director of Neonatal Nurse Practitioner Program
- President of Mid-TN Neonatology Associates
- Medical Director of Pediatrix Medical Group of TN
- Board of Trustees for Centennial Medical Center
- 2. The co-directors of perinatal services should coordinate the hospital's perinatal care services and, in conjunction with other medical, anesthesia, nursing, respiratory therapy, and hospital administration staff, develop policies concerning staffing, procedures, equipment, and supplies. The medical directors of obstetrics and neonatology are responsible for setting the hospital's standard of perinatal care by working together to incorporate evidence-based practice patterns and nationally recognized care standards.

Complies. TriStar Horizon Medical Center has a very involved medical staff that consistently and routinely participates in setting our standards of perinatal care. They are very active participants in committees and policy development. TriStar Horizon Medical Center is part of the HCA network of hospitals and has the unique opportunity for MD's to utilize education, mentoring, consultation, policy and protocol resources from the HCA corporate Women's & Children's department as well as from HCA TriStar hospitals in the Nashville market.

3. Every delivery should be attended by at least one person whose primary responsibility is for the newborn and who is capable of initiating neonatal resuscitation according to the American Heart Association and American Academy of Pediatrics Neonatal Resuscitation Program guidelines. Either that person or someone else who is immediately available should have the skills required to perform a complete resuscitation, including endotracheal intubation and administration of medications.

Complies. TriStar Horizon Medical Center meets this requirement. All RN's and Respiratory Therapists are required to maintain NRP provider status per guidelines set forth by the AAP and the AHA. Two RN's attend every vaginal delivery. A neonatology nurse practitioner (NNP), two RN's, a CRNA, and an MD anesthesiologist attend all C/Sections.

TriStar Horizon Medical Center employs 3 RN's in Women's Services who are NRP instructors. They are responsible for resuscitation competency monitoring and mentoring.

Upon the addition of a six-bed Level II NICU, there will be an NNP and NICU-RN on-site 24/7 to attend deliveries of infants requiring extensive resuscitation or continued specialized care.

4. Deliveries of high-risk fetuses should be attended by an obstetricianand at least two other persons qualified in neonatal resuscitation whose only responsibility is the neonate. With multiple gestations, each newborn should have his or her own dedicated team of care providers who are capable of performing neonatal resuscitation according to the American Heart Association and American Academy of Pediatrics Neonatal Resuscitation Program guidelines.

Complies. TriStar Horizon Medical Center currently meets this requirement. Two RN's and an NNP attend all high risk deliveries. A Respiratory Therapist will attend any high risk delivery upon request. Multiple gestations have a dedicated team of care providers for each infant. Upon the addition of a six bed NICU, there will be an NNP, NICU-RN and Respiratory Therapist in-house 24/7 to attend all high risk deliveries.

#### B. Nurses

1. The nurse manager (RN) is responsible for all nursing activities in the nurseries of Level II facilities. The nurse manager in a

hospital with a Level II nursery must complete the Level II neonatal courses prescribed for staff nurses in the most recent edition of the *Tennessee Perinatal Care System Education Objectives for Nurses, Level II*, published by the Tennessee Department of Health.

#### Complies.

2. All staff nurses (RN) must be skilled in observation and treatment of sick infants. For Level II facilities they must complete the Level II neonatal course for nurses outlined in the most recent edition of the *Tennessee Perinatal Care System Educational Objectives for Nurses*, published by the Tennessee Department of Health. Nurses should maintain institutional unit-specific competencies. In addition, all nurses should be current NRP and S.T.A.B.L.E. providers.

Complies. All nursery staff have completed unit-specific competencies, as well as the neonatal course outlined in the Tennessee Perinatal Care System Educational Objectives for Nurses (Fourth Edition). They are current providers for the Neonatal Resuscitation Program and the STABLE Program.

TriStar Horizon Medical Center employs 3 RN's in Women's. Services who are NRP instructors. They are responsible for NRP instruction as well as for resuscitation competency monitoring and mentoring.

Prior to the addition of a six-bed Level II NICU, the NICU-RN's and Respiratory Therapists will receive additional training in the NICU at TriStar Centennial Women's and Children's Hospital. Under the oversight of NICU nurses at TriStar Centennial Women's and Children's Hospital, the RN's and Respiratory Therapists will complete an initial orientation and will receive ongoing training until the achieve the competencies required to care for Level II newborns. The RN's will also complete the Level III neonatal course.

There will be an NNP (neonatal nurse practitioner) staffed at TriStar Horizon Medical Center 24/7 to provide specialized care and oversight to the NICU patients. The NNP will also provide ongoing support and training to the NICU-RN's and Respiratory staff.

 Recommended Registered Nurse (RN) / Patient Ratios for Newborn Care (Association of Women's Health, Obstetric, and Neonatal Nurses Guidelines for Professional Registered Nurse Staffing for Perinatal Units, 2010):

Ratio 1:5-6 1:3-4 1:2-3 1:1-2 1:1	Care Provided Newborns requiring only routine care Newborns requiring continuing care Newborns requiring intermediate care Newborns requiring intensive care Newborns requiring multisystem support Unstable newborns requiring complex
critical care	

Complies. TriStar Horizon Medical Center meets and exceeds the nurse/patient ratios as outlined for Level I care. With the addition of six Level II NICU beds, TriStar Horizon Medical Center will meet the above nurse/patient ratios.

#### C. Respiratory Therapists

Respiratory Therapists who can provide supplemental oxygen, assisted ventilation, and continuous positive pressure ventilation (including high flow nasal cannula) of neonates with cardiopulmonary disease should be continuously on site to provide ongoing care as well as to address emergencies.

Complies. TriStar Horizon Medical Center complies with this requirement. Prior to the addition of a six-bed Level II NICU, Horizon's Respiratory Therapists will receive additional training in the NICU at TriStar Centennial Women's and Children's Hospital. Under the oversight of NICU Respiratory Therapists at TriStar Centennial Women's and Children's, Horizon Respiratory Therapists will complete an initial orientation and will receive ongoing training until they achieve the competencies required to care for Level II newborns.

There will be an NNP (neonatal nurse practitioner) staffed at TriStar Horizon Medical Center 24/7 to provide specialized care and oversight to the NICU patients. The NNP will also provide ongoing support and training to the Respiratory staff.

#### D. Social Services / Case Management

Personnel experienced in dealing with perinatal issues, discharge planning and education, follow-up and referral, home care planning, and bereavement support should be available to intermediate and intensive care unit staff members and families.

Complies. TriStar Horizon Medical Center already has personnel with these listed skills and experience. Case managers and social workers will also be oriented to their expanded roles through an internship at TriStar Centennial Women's and Children's Hospital NICU.

#### E. Dietitian/Lactation Consultant

The staff must include at least one dietitian who has special training in perinatal nutrition and can plan diets that meet the needs of high risk neonates. Availability of lactation consultants 7 days a week is recommended to assist with complex breastfeeding issues. 1.6 full-time equivalent lactation consultants are recommended for every 1,000 births based on an annual birth volume in Level II perinatal centers (Association of Women's Health, Obstetric, and Neonatal Nurses Guidelines for Professional Registered Nurse Staffing for Perinatal Units, 2010).

Complies. TriStar Horizon Medical Center meets, and will continue to meet, this requirement. In addition, TriStar Horizon's nurses in this area are trained to fill in for the lactation consultant if necessary.

#### F. Pharmacist

A registered pharmacist with expertise in compounding and dispensing medications, including total parenteral nutrition (TPN) for neonates must be available 24 hours per day.

Complies. TriStar Horizon Medical Center meets this requirement.

### IV. SPACE AND EQUIPMENT FOR LEVEL II FACILITIES

A. Physical facilities and equipment should meet criteria published in the latest edition of the *Guidelines for Perinatal Care*, jointly published by the American Academy of Pediatrics and the American College of Obstetricians and Gynecologists.

# Complies. TriStar Horizon Medical Center complies with this requirement.

- B. Minimal equipment for care of the normal infant includes:
  - 1. A platform scale, preferably with metric indicators.
  - 2. A controlled source of continuous and/or intermittent suction.
  - 3. Incubators and/or radiant warmers for adequate thermal support.
  - 4. Equipment for determination of blood glucose at the bedside.
  - 5. Ability to perform intensive phototherapy.
  - 6. A device for the external measurement of blood pressure from the infant's arm or thigh.
  - 7. Oxygen flow meters, tubing, binasal cannulas for short-term administration of oxygen.
  - 8. A headbox assembly (oxygen hood), an oxygen blending device, and a warming nebulizer for short-term administration of oxygen.
  - 9. An oxygen analyzer that displays the ambient concentration of oxygen.
  - 10. A newborn pulse oximeter for non-invasive blood oxygen monitoring.
  - 11. An infusion pump that can deliver appropriate volumes of continuous fluids and/or medications for newborns.
  - 12. A fully equipped neonatal resuscitation card.
  - 13. Positive pressure ventilation equipment and masks; endotracheal tubes in all the appropriate sizes for neonates.
  - 14. A laryngoscope with premature and infant size blades.
  - 15. A CO2 detector.
  - 16. Laryngeal mask airway (LMA, size 1)

Complies. TriStar Horizon Medical Center has all of the equipment listed above available for every newborn.

#### C. Intermediate Care Nursery

Additional equipment needed for intermediate care newborns include:

- 1. A servo-controlled incubator or heated open bed for each infant who requires a controlled thermal environment.
- 2. Cardiorespiratory monitors that include pressure and waveform monitoring.
- 3. Oxygen analyzers, blenders, heaters, and humidifiers sufficient for anticipated census.
- 4. A sufficient number of head box assemblies (oxygen hoods).
- 5. Modes of respiratory support: binasal cannulas, conventional mechanical ventilator, mechanism to delivery nasal CPAP.
- 6. A bag or t-piece resuscitator and mask for each infant.
- 7. An adequate supply of endotracheal tubes and other intubation supplies and LMA.
- 8. A device for viewing x-rays in the infant area.

Complies. TriStar Horizon Medical Center currently has all of the above equipment for its current Level I program. Additional equipment of this type will be purchased upon approval of the CON and addition of six NICU beds.

# TENNESSEE STATE HEALTH PLAN PROPOSED DRAFT REVIEW CRITERIA FOR A NEONATAL INTENSIVE CARE UNIT

- 1. Determination of Need: The draft directs that the NICU bed needs be based on a three-year rather than a four-year population projection, although four years has been the normal planning horizon for most CON criteria for many years. The applicant does not know if this would significantly affect the county-level NICU bed needs projected for this service area currently. It likely would not change the conclusion of applying this criterion, because the current formula indicates a 10-bed need while the project is only for 6 beds.
- 2. Minimum Volume Standard: The draft recommends that a Level II unit be at least 10 beds rather than the current 15--but it still states that this is "necessary to support economical operation of these services", and still offers applicants an exception if justified by geographic remoteness. This application would qualify for the exception.
- 3. Establishment of Service Area: The draft requires that the service area designation be reasonable and based on an optimal balance between population density and service proximity of the applicant. This application appears to comply with this new general language.
- 4. Access: The draft requires that the applicant must be willing and able to serve the entire designated service area, and gives special consideration to situations of limited access within the proposed service area. This application clearly demonstrates accessibility issues for service area residents, who do not now have acceptable access to Level II neonatal nursery care.
- 5. Orderly Development of Applicant's Neonatal Nursery Services: The draft asks that the applicant document the number of Level II, III, and IV neonatal transfers from its nursery over the last three years. The applicant has provided several years of that data in this application with regard to the last two years.

- **6.** Occupancy Rate Consideration: Not applicable. This draft criterion pertains to expanding an existing NICU or establishing one within a service area where NICU's already exist. This project does neither.
- 7. Assurance of Resources: This new criterion asks that applicants document their ability and commitment to conform to the Perinatal Guidelines, including a letter from the applicant's Governing Board affirming that commitment and ability, and including proof of financial resources to sustain such a service at a high level of quality. This project certainly meets all aspects of this criterion, though no Board letter is yet required in the CON review process.
- 8. HSDA consultation with the Perinatal Advisory Committee is required in CON review. This is already being done in the current CON program.
- 9. Adequate Staffing: This long draft criterion basically requires applicants to document that their intended staffing, supervision, and training plans are feasible and that they will comply with the Perinatal Guidelines. This application complies with these requirements.
- 10. Staff and Service Availability for Emergent Cases: The draft requires that the neonatologist(s) be able to "mobilize" rapidly for emergency cases, 24/7. This project will comply.
- 11. Education: The draft requires details of education plans for physicians, staff, and parents, in accordance with the Perinatal Guidelines. This application has provided extensive documentation of its plans.
- 12. Clinical Guidelines: The draft asks applicants to document current and future compliance with the Perinatal Guidelines. The applicant has done that in this application with respect to the Seventh Edition (2014) of those Guidelines.
- 13. Community Linkage Plan: Applicants should describe any community linkage plan that will be in place in this project. As attested by support letters from other hospitals and physicians in the area, the applicant has worked with other providers in the

region to make them aware of this proposed improvement so that detailed coordination plans can be put in place once the unit is under development.

- 14. Data Requirements: This criterion asks that applicants agree to furnish appropriate and timely information and statistics on this service to the TDH and the HSDA. The applicant will do this; and an existing section of the application asks for essentially the same commitment (which has been made).
- 15. Quality Control and Monitoring: The applicant should identify and document its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring system. The applicant has all these in place already. Current application and Guidelines do not require such redundant documentation but the applicant will comply with this when it is adopted.
- 16. Tennessee Initiative for Perinatal Quality Care (TIPQC): The applicant is encouraged to include a description of its plan to participate in this. Both TriStar Horizon Medical Center and TriStar Centennial Women's and Children's Hospital, which is mentoring Horizon in this project, participate in this initiative. Horizon participated in the "No Elective Deliveries Prior to 39 Weeks" initiative, and Horizon staff regularly participate in TIPQC OB Webinars and conference calls on Perinatal Quality Intiatives and in regional learning sessions. TriStar Centennial Women's and Children's has been involved in TIPQC from its inception. Their previous and current TIPQC projects have included work on Admission Temperatures, the "No Elective Deliveries Prior to 39 Weeks" initiative, CLABSI, human milk for the NICU, family involvement in the NICU, Golden Hour, Neonatal Abstinence Syndrome (NAS), and Breastfeeding Promotion.

#### The Framework for Tennessee's Comprehensive State Health Plan

Five Principles for Achieving Better Health

The following Five Principles for Achieving Better Health serve as the basic framework for the State Health Plan. After each principle, the applicant states how this CON application supports the principle, if applicable.

#### 1. Healthy Lives

The purpose of the State Health Plan is to improve the health of Tennesseans. Every person's health is the result of the interaction of individual behaviors, society, the environment, economic factors, and our genetic endowment. The State Health Plan serves to facilitate the collaboration of organizations and their ideas to help address health at these many levels.

The Level II NICU program for this hospital has been developed and will be implemented and operated in collaboration with the Level III program at TriStar Centennial Women's and Children's Hospital, a 60-bed NICU that is the second largest in Middle Tennessee, and the hub for a regional Perinatal Transport team.

#### 2. Access to Care

Every citizen should have reasonable access to health care.

Many elements impact one's access to health care, including existing health status, employment, income, geography, and culture. The State Health Plan can provide standards for reasonable access, offer policy direction to improve access, and serve a coordinating role to expand health care access.

This project addresses the issue of geographic access to neonatal care for residents of a rural area, most of which is more than an hour's drive from existing Level II nurseries north, east, and south of the project site. The project will improve their access to newborn care; and it will also allow mothers in this area to remain close to their infants when the infants need brief Level II care before going home.

#### 3. Economic Efficiencies

The state's health care resources should be developed to address the needs of Tennesseans while encouraging competitive markets, economic efficiencies and the continued development of the state's health care system. The State Health Plan should work to identify opportunities to improve the efficiency of the state's health care system and to encourage innovation and competition.

The project develops high quality newborn care in a rural area that is now too far from such care. It makes it more efficient for families to be with their newborns who may require Level II care. It significantly reduces the costs of neonatal transport for infants who are born with Level II needs at TriStar Horizon Medical Center, and now are being moved to Nashville NICU's for lack of the Level II program in Dickson.

#### 4. Quality of Care

Every citizen should have confidence that the quality of health care is continually monitored and standards are adhered to by health care providers. Health care providers are held to certain professional standards by the state's licensure system. Many health care stakeholders are working to improve their quality of care through adoption of best practices and data-driven evaluation.

TriStar hospitals such as Horizon Medical Center pursue and maintain high quality standards in their services, as defined by best practices standards within HCA as well as by standards promulgated by State licensure.

#### 5. Health Care Workforce

The state should support the development, recruitment, and retention of a sufficient and quality health care workforce. The state should consider developing a comprehensive approach to ensure the existence of a sufficient, qualified health care workforce, taking into account issues regarding the number of providers at all levels and in all specialty and focus areas, the number of professionals in teaching positions, the capacity of medical, nursing, allied health and other educational institutions, state and federal laws and regulations impacting capacity programs, and funding.

This project will not affect the health care workforce to any significant degree.

# C(I).2. DESCRIBE THE RELATIONSHIP OF THIS PROJECT TO THE APPLICANT'S LONG-RANGE DEVELOPMENT PLANS, IF ANY.

TriStar Horizon Medical Center, because of geography, has a unique role in the development of acute care services in western Middle Tennessee, between Nashville and the Tennessee River.

Within this "sub-region", TriStar Horizon is the only hospital of any significant size and scope, in a very large region of western Middle Tennessee on both sides of I-40. The only other hospitals in this project's service area--in Erin (Houston County), Waverly (Humphreys County), and Centerville (Hickman County) are small 25-bed facilities, Critical Access Hospitals, with few services and small medical staffs.

By contrast, TriStar Horizon Medical Center is located in this region's largest population center and fastest-growing area, on its principal east-west highway corridors (I-40 and Highway 70). For more than a decade, Horizon has been developing into a "sub-regional" acute care resource for this area. Horizon offers a wide range of services on both its main campus in Dickson, and a satellite outpatient campus on I-40: a dedicated ambulatory surgery center, a dedicated outpatient diagnostic center, radiation therapy, a main campus and satellite campus Emergency Department, and a busy obstetrics service and nursery. In time, with CON approval, the existing hospital in downtown Dickson plans to relocate to its satellite campus on I-40, for even greater accessibility and visibility.

In the area of obstetrics, this project is the next logical and appropriate step in expanding the scope and quality of care for mothers and infants in the service area. The hospital is expanding its OB staff, building mutually supportive relationships with other area hospitals, and committing to continued growth in high-quality care for families in this area.

C(I).3. IDENTIFY THE PROPOSED SERVICE AREA AND JUSTIFY THE REASONABLENESS OF THAT PROPOSED AREA. SUBMIT A COUNTY-LEVEL MAP INCLUDING THE STATE OF TENNESSEE CLEARLY MARKED TO REFLECT THE SERVICE AREA. PLEASE SUBMIT THE MAP ON A 8-1/2" X 11" SHEET OF WHITE PAPER MARKED ONLY WITH INK DETECTABLE BY A STANDARD PHOTOCOPIER (I.E., NO HIGHLIGHTERS, PENCILS, ETC.).

The primary service area of the project will be Dickson County, Houston County, Humphreys County, and zip code 37025 (Bon Aqua) in north Hickman County, which is on the south side of I-40 close to Dickson. The secondary service area will include Perry County and the nearby Fairview area of Williamson County, from which a small number of patients typically come to Dickson for their maternal and infant care. A service area map and a map showing the location of the service within the State of Tennessee are provided as Attachments C, Need--3 at the back of the application.

The patient origin of the NICU is projected to reflect the patient origin of maternal admissions to TriStar Horizon Medical Center in 2014--which was almost identical to that of neonates requiring Level II care that year. The table below projects the origin of NICU admissions for this project in its first two years.

Table Six: Projected Patient Origin of County	Percent of Total	Yr 1-2017 NICU Admissions	Yr 2-2018 NICU Admissions
D' 1	52.6%	45	53
Dickson	19.4%	16	19
Houston			16
Hickman (Bon Aqua zip code 37025 only)	16.1%	14	
1571	8.2%	7	8
Humphreys Subtotals, PSA	96.3%	82	96
	3.7%	3	4
Other Counties and Areas  Totals	100.0%	85	100

Source: 2014 Patient Origin of Maternity Admissions, hospital records

# C(I).4.A DESCRIBE THE DEMOGRAPHICS OF THE POPULATION TO BE SERVED BY THIS PROPOSAL.

This rural area has a population of 18,239 women of childbearing age. In 2013, based on the 2010 U.S. Census data (now five years old), the TDH projected that this segment of the service area population will decrease by 1.1% over the next four years while the total area population will increase by 1.5%. The area's median age is higher than the State average.

This is a low-income, high-TennCare service area. Its median household income is \$40,504, which is 8.6% below the Tennessee median household income. Approximately 16.3% of the service area's total population lives below the poverty level; and 23.1% are enrolled in TennCare compared to a State average of 21.8%.

Table Seven on the following page summarizes the demographic characteristics of the area population and identifies the segment (child-bearing age female residents) which this project reflects.

Although it is not yet reflected in State population projections, Dickson County has started to grow significantly since 2010, especially with the recent opening of the western segment of I-840 between I-40 and Williamson County, which provides quicker access to Williamson County's high-growth retail and employment markets in Brentwood, Cool Springs, and Franklin. The growth of Dickson County will likely exceed the expectations of five years ago when TDH population projections were made; and the medical community of Dickson County believes that the child-bearing segment of the population will in fact increase in future years rather than stay level or decline slightly, as projections of five years ago indicated. Births to families in the service area, for instance, increased 5.5% between 2012 and 2014.

	Table Sev	Table Seven: Demographic Characteri	graphic C	haracteristic T	ss of Prima FriStar Hori	istics of Primary Service Area, Women of Childbearing Age and Total Population TriStar Horizon Medical Center NICU 2015-2019	Area, Won al Center N 9	nen of Chil «ICU	dbearing	Age and I	rotal Popu	lation	
Primary Service						Demograp	Demographic Characteristics	teristics					
				Female			Female 15-44	Female 15-44		14	Percent of		Persons Below
	Median Age	Female 15-44	Female 15-44		Total	Total	Population   Population   % of Total   % of Total		Median	TennCare	2015 Population	Below	as % of
County	2010 Census	Population 2015	Population 2019	% Change 2015 - 2019	Population 2015	Population 2019	2015	2015 2019	Income	_	TennCare	Level 2015	Census
Dickson	38.7		9,554	-0.5%	51,127	52,248	18.8%	18.3%	\$44,318	11,108	21.7%	7,874	15.4%
Houston	41.8	1,453	1,484	2.1%	8,413	8,449	17.3%	17.6%	\$35,271	2,021	24.0%	1,977	23.5%
Hickman	40.0	4,159	3,962	-4.7%	24,465	24,784	17.0%	16.0%	\$39,581	6,295	25.7%	4,257	
Humphreys	41.9	3,221	3,239	%9.0	18,519	18,581	17.4%	17.4%	\$42,846	4,223	22.8%	2,574	13.9%
PSA	40.6	18,434	18,239	-1.1%	102,524	104,062	18.0%	17.5%	\$40,504	23,647	23.1%		16.3%
State of Tennessee	38.0	1.306,684	1,337,422	2.4%	6,649,438	6,894,997	19.7%	19.4%	\$44,298	1,447,657	21.8%	229,976	17.6%

Sources: TDH Population Projections, May 2013; U.S. Census QuickFacts; TennCare Bureau. PSA data is unweighted average, or total, of county data.

C(I).4.B. DESCRIBE THE SPECIAL NEEDS OF THE SERVICE AREA POPULATION, INCLUDING HEALTH DISPARITIES, THE ACCESSIBILITY TO CONSUMERS, PARTICULARLY THE ELDERLY, WOMEN, RACIAL AND ETHNIC MINORITIES, AND LOW-INCOME GROUPS. DOCUMENT HOW THE BUSINESS PLANS OF THE FACILITY WILL TAKE INTO CONSIDERATION THE SPECIAL NEEDS OF THE SERVICE AREA POPULATION.

Young families in this area are very far from Level II NICU facilities in Nashville, Clarksville, and Columbia. When their infants are moderately vulnerable or ill, and require this level of care, parents want and need to be close by, not one to two hour round trip drives from their homes and from their other children who also need them. They need a more accessible option than they now have. This project will provide a safe, effective, and much more accessible resource for their infants' care--one which has no insurance or other financial barriers to entry.

This is a need of all income, racial, and ethnic groups of childbearing age in the service area. It is the type of care provided in abundance, at multiple hospital locations, for residents of urban areas like Nashville. TriStar Horizon Medical Center in Dickson is willing, able, prepared, and funded to provide this level of care to residents of these four rural counties, for whom they are already the primary obstetrics and neonatal care provider.

Provision of Level II neonatal care has become essential for most obstetrics providers. Families are demanding it as a safeguard or backup in the event their newborn requires it. Without it available locally, many area mothers are increasingly bypassing their local hospitals. This makes it difficult to retain sufficient birth volumes in the community to ensure continued presence of obstetricians in the community. If rural Tennesseans are to have basic acute care resources--like birth-care--comparable to urban residents, nursery care must be sufficient to maintain the local patient base so that obstetricians will be able to remain in the community to provide OB and gynecological care. This project will ensure that this growing sub-regional medical center west of Nashville continues to thrive and to offer high-quality acute care services to young families.

C(I).5. DESCRIBE THE EXISTING OR CERTIFIED SERVICES, INCLUDING APPROVED BUT UNIMPLEMENTED CON'S, OF SIMILAR INSTITUTIONS IN THE SERVICE AREA. INCLUDE UTILIZATION AND/OR OCCUPANCY TRENDS FOR EACH OF THE MOST RECENT THREE YEARS OF DATA AVAILABLE FOR THIS TYPE OF PROJECT. BE CERTAIN TO LIST EACH INSTITUTION AND ITS UTILIZATION AND/OR OCCUPANCY INDIVIDUALLY. INPATIENT BED PROJECTS MUST INCLUDE THE FOLLOWING DATA: ADMISSIONS OR DISCHARGES, PATIENT DAYS, AND OCCUPANCY. OTHER PROJECTS SHOULD USE THE MOST APPROPRIATE MEASURES, E.G., CASES, PROCEDURES, VISITS, ADMISSIONS, ETC.

This project focuses on NICU needs, not obstetrics. The tables below include three years of data on primary service area births and infants having NICU care out of the service area, and three years of utilization data for all NICU's in the Middle Tennessee Perinatal Care Region--a thirty-seven county area comprising all Middle Tennessee Counties.

There are no NICU providers in the primary service area, or within reasonable drive time of the area's population centers. The five existing NICU's that are closest to this project's service area counties are in Tables Five-A and -B earlier in the application. There are three in Nashville (TriStar Centennial, Saint Thomas Midtown; and Vanderbilt), one in Clarksville (Gateway Medical Center); and one in Columbia (Maury Regional).

Table	Eight-A:	•	ervice Are: 012-2014	a Births & l	NICU Infa	nts
	20	012	20	013	20	014
Primary Service Area	Births	NICU Infants	Births	NICU Infants	Births	NICU Infants
Dickson County	570	179	619	217	625	227
Humphreys County	219	52	198	69	187	50
Houston County	74	18	73	29	96	34
Zip Code 37025 in						
Hickman County	73	23	89	23	79	23
Totals	936	272	979	338	987	334
NICU Infants as % of Births		29.1%		34.5%		33.8%

Source: TDH for county births; THA for zip code births; THA for NICU DRG's.

		Table Eight-B	ight-B	: Utiliz Middle	ation Tenn	of Neo essee	natal Perin 2013	: Utilization of Neonatal Intensive Care Beds (Levels II-B & III) Middle Tennessee Perinatal Region (37 Counties) 2012-2014	e Care on (37	Beds (L Countie	evels	II-B &	(III					
		×	50.	12					2013	13					2014	4		
NICU PROVIDER / HIGHEST LEVEL OF CARE CITY / COUNTY	BEDS	BEDS ADMISSIONS	DAYS	AVG LENGTH OF STAY	ADC	OCCY	BEDS	BEDS ADMISSIONS	DAYS	AVG LENGTH OF STAY	ADC	OCC.Y	BEDS*	BEDS* ADMISSIONS	DAYS	AVG LENGTH OF STAY	ABC	Y.200
Vanderbilt Medical Center / III & II-B	1001	1,669	29 611	18	81.4	81 10%	100	1 087	30 660	00	2	00.00			1	i c		
Nashville / Davidson County			10000	2		L	L		בסייסר	07	04.0	04.0%	700	1,220	30,577	57	83.8	83.8%
TriStar Centennial Medical Center / III & II-B	9 60	1,436	15,446	11	42.3	70.5%	109	662	17,929	27	49.1	81.9%	9	735	10 121	36	5.62	705 48
Nashville / Davidson County							L					2	3		42/464	20		
St. Thomas Midtown Hospital / III & II-B	52	439	9,353	21	25.6	49.3%	52	475	10,041	21	27.5	52.9%	52	473	8.348	100	22.9	44.0%
Nashville / Davidson County																		
Metro General Hospital / II-B	10	26	727	13	2.0	19.9%	10	46	370	co	1.0	10.1%	10	57	337	8	0.0	70C B
Nashville / Davidson County																	2	
TriStar Hendersonville Medical Center / II-B	A. S. A.	ra ,	表別等リー	ENTER STATE	A STATE OF	1200	BY SAME		2.4	1588 T. 17 G		A Section And Design Control of the	113000	SAN SERVICE STATE OF	100	B	Service Co.	
Nashville / Davidson County			7.						Į.					The same of the sa				
TriStar Summit Medical Center / II-B	10	49	750	15	2.1	20.5%	10	77	1,203	16	3.3	33.0%	10	99	914	14	25	25 00%
Hermitage / Davidson County																	6.7	
St. Thomas Rutherford Hospital / II-B	16	202	3,048	15	8.4	52.2%	16	234	3.477	15	5 6	29.5%	16	000	3 271	1	0	700 22
Murfreesboro / Rutherford County															2/2/2		2:0	
TriStar StoneCrest, Medical Center / II-B			Port Contract	No. of Parties		日本の日	83	20	557	11	1.5	19.1%	œ	NS NO	1 107	ů.	22	40 00/
Smyrna / Rutherford County								3						3	4/472			
Maury Regional Medical Center / II-B	8	143	902	9	2.5	30.9%	89	202	1.840	6	5.0	63.0%	α	229	1 675	2	46	E7 404
Columbia / Maury County															2		2	
Gateway Medical Center / II-B	13	214	1,552	7			13	200	1,406	7	3.9	29.6%	13	213	1 583	7	43	32 10%
Clarksville / Montgomery County															2001			177
Williamson Medical Center / II-B	8	137	950	7	2.6	32.5%	8	42	1,154	27	3.2	0.0%	00	63	1 560	75	4.3	53 70%
Franklin / Williamson County															2001		2	1111
PERINATAL REGION TOTAL 277	722	4,345	62,339	14	170.8	61.7%	285	3,075	68,646	22	22 188.1	66.0%	285	3,355	68,587	20	20 187.9	65.9%

Sources: TDH Joint Annual Reports.
Note: TriStar Hendersonville Medical Center is approved to open a 6-bed NICU; scheduled to open in January 2016. Total MTPA NICU beds will be 291.

C(I).6. PROVIDE APPLICABLE UTILIZATION AND/OR OCCUPANCY STATISTICS FOR YOUR INSTITUTION FOR EACH OF THE PAST THREE (3) YEARS AND THE PROJECTED ANNUAL UTILIZATION FOR EACH OF THE TWO (2) YEARS FOLLOWING COMPLETION OF THE PROJECT. ADDITIONALLY, PROVIDE THE DETAILS REGARDING THE METHODOLOGY USED TO PROJECT UTILIZATION...

The project service area does not contain a NIC. Table Nine-A below shows the applicant's annual deliveries and transfers to NICU's outside the service area. Table Nine-B shows the Levels of NICU care to which those transfers were made. Table Nine-C on the following page provides bed utilization history and projections for the hospital.

TriStar Horizon's annual births have increased at an average annual rate of almost 3% since 2012.

		2012		rs to NICU 2013		2014	YT	D 2015
	Births	Transfers to NICU	Births	Transfers to NICU	Births	Transfers to NICU	Births	Transfers to NICU
Jan	DII this	10 1120					46	2
Feb			22				34	3
Mar							37	3
Apr							37	4
May							35	5
Jun							42	3
Jul							47	9
							36	
Aug							25	
Sept					-			_
Oct								
Nov	, i							_
Dec	100	20	400	10	120	27	339	44
YTD Annual	420 420	20	403	18	430 430	27	452*	59

Source: Hospital records. \*2015 Totals Annualized on Jan-Sep data. NICU transfers include all Levels 2,3,4.

Transfer	Table Nine-B: 's to NICU's by Le	TriStar Horizon N evel of Care in CY	Medical Center 2012-CY2015 A	nnualized
NICU Level	2012	2013	2014	2015 Annualized
2	14	11	20	52
3	5	6	7	7
1	1	1	0	0
Totals	20	18	27	59

Source: Hospital records. 2015 annualized on Jan-Sep data.

# Table Nine-C: TriSt Horizon Medical Center Actual and Projected Licensed Bed Utilization, CY2012-2018

		•				Year One	Year Two
	Actual 2012	Actual 2013	Actual 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018
Total Beds	157	157	157	157	157	157	157
Admissions	4,391	4,533	4,668	5,007	5,107	5,294	5,400
Patient Days	18,099	18,892	19,198	19,929	20,328	21,840	22,277
ALOS on Admissions	4.1	4.2	4.1	4.0	4.0	4.1	4.1
ADC on Admissions Occupancy on Admissions	49.6	51.8	52,6	54.6	55.7	59.8	61.0
23-Hour Observation Days	31.6% 2,518	33.0% 2,092	33.5%	34.8%	35.5%	38.1%	38.9%
Total Bed Days	20,617	20,984	2,422	2,678	2,732	2,787	2,843
Total ADC	56.5	57.5	21,620 59.2	22,607 61.9	23,060	24,627	25,120
Total Occupancy	36.0%	36.6%	37.7%	39.5%	63.2 40.2%	67.5 43.0%	68.8
	CAMP CONTRACTOR	PATRICE TO THE PARTY OF THE PAR	Company of the same	6 Demonstration	estimate a month of the state of	43.0%	43.8%
Medical-Surgical Beds	123	123	123	123	123	117	117
Admissions	3,352	3,439	3,498	3,750	3,807	3,855	3,895
Patient Days	13,527	14,436	14,473	14,666	14,799	14,965	14,999
ALOS on Admissions	4.0	4.2	4.1	3.9	3.9	3.9	3.9
ADC on Admissions	37.1	39.6	39.7	40.2	40.5	41.0	41.1
Occupancy on Admissions	30.1%	32.2%	32.2%	32.7%	33.0%	35.0%	35.1%
23-Hour Observation Days	2,369	1,964	2,279	2,518	2,568	2,619	2,673
Total Bed Days Total ADC	15,896	16,400	16,752	17,184	17,367	17,584	17,672
Total Occupancy	43.6 35.4%	44.9	45.9	47.1	47.6	48.2	48.4
Total Occupancy	35.4%	36.5%	37.3%	38.3%	38.7%	41.2%	41.4%
Intensive/Critical Care Beds	6	menulenessealis)	Parina Maria Agenta (Agenta )	TOTAL TUEN INC. 238	Mind of Supplement	ALCOHOLD MANAGEMENT	(19) [19] [19]
Admissions	453	6 535	6	6	6	6	6
Patient Days	1,719	1,769	565 1,749	575	587	600	615
ALOS on Admissions	3.8	3.3	3.1	1,840	1,878 3.2	1,920	1,960
ADC on Admissions	4.7	4.8	4.8	5.0	5.1	3.2 5.3	3.2 5.4
Occupancy on Admissions	78.5%	80.8%	79.9%	84.0%	85.8%	87.7%	89.5%
23-Hour Observation Days	74	65	73	80	82	84	85
Total Bed Days	1,793	1,834	1,822	1,920	1,960	2,004	2,045
Total ADC	4.9	5.0	5.0	5.3	5.4	5.5	5.6
Total Occupancy	81.9%	83.7%	83.2%	87.7%	89.5%	91.5%	93.4%
						CAR DEDUCE DEC	
Obstetrical Beds	9	9	9	9	9	9	9
Admissions	420	403	430	467	486	515	540
Patient Days	845	810	863	925	972	1,030	1,075
ALOS on Admissions ADC on Admissions	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Occupancy on Admissions	2.3 25.7%	2.2	2.4 26.3%	2.5	2.7	2.8	2.9
23-Hour Observation Days	75	63	70	28.2%	29.6% 82	31.4%	32.7%
Total Bed Days	920	873	933	1,005	1,054	84 1,114	85 1,160
Total ADC	2.5	2.4	2.6	2.8	2.9	3.1	3.2
Total Occupancy	28.0%	26.6%	28.4%	30.6%	32.1%	33.9%	35.3%
THOSE TONE SHE IN THE PLANT OF THE PARTY OF		CHARLES IN A DEAL	EUROS ESTADO			COLUMN TO SERVICE STATE OF THE	Howard and the
NICU Beds	0	0	0	0	0	6	6
Admissions	0	0	0	0	ő	85	100
Patient Days	0	0	0	0	0	1,105	1,300
ALOS on Admissions	0.0	0.0	0.0	0.0	0.0	13.0	13.0
ADC on Admissions	0.0	0.0	0.0	0.0	0.0	3.0	3.6
Occupancy on Admissions 23-Hour Observation Days	0.0%	0.0%	0.0%	0.0%	0.0%	50.5%	59.4%
Total Bed Days	0	0	0	0	0	0	0
Total ADC	0.0	0.0	0.0	0	0	1,105	1,300
Total Occupancy	0.0%	0.0%	0.0%	0.0	0.0	3.0 50.5%	3.6
TO SELECTION OF THE SECOND OF	ELECTRICAL CONTROL OF	CANADA SERVICIONE	N. DE SESSION OF THE	CO 78	CHI CHICAGO CHICAGO	30.3%	59.4%
Geropsychlatric Beds	7	7	7	7	7	7	7
Admissions	Ó	ó	0	ó	ő	0	0
Patient Days	Ö	Ö	Ö	ŏ	0	0	0
ALOS on Admissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ADC on Admissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Occupancy on Admissions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23-Hour Observation Days	0	0	0	0	0	0	0
Total Bed Days	0	0	0	0	0	0	0
Total ADC Total Occupancy	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Occupancy	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rehabilitation Beds	42	42			MESSESSIVE		RESIDENCE PLANS
Admissions	12 166	12 156	12	12	12	12	12
Patient Days	2,008	1,877	175	215	227	239	250
ALOS on Admissions		1,0//	2,113	2,498 11.6	2,679 11.8	2,820	2,943 11.8
		120					11.6
ADC on Admissions	12.1	12.0 5.1	12.1 5.8			11.8	
ADC on Admissions Occupancy on Admissions		12.0 5.1 42.9%	5.8	6.8	7.3	7.7	8.1
ADC on Admissions Occupancy on Admissions 23-Hour Observation Days	12.1 5.5	5.1					
ADC on Admissions Occupancy on Admissions 23-Hour Observation Days Total Bed Days	12.1 5.5 45.8% 0 2,008	5.1 42.9%	5.8 48.2%	6.8 57.0%	7.3 61.2%	7.7 64.4%	8.1 67.2%
ADC on Admissions Occupancy on Admissions 23-Hour Observation Days Total Bed Days Total ADC	12.1 5.5 45.8% 0 2,008 5.5	5.1 42.9% 0 1,877 5.1	5.8 48.2% 0 2,113 5.8	6.8 57.0% 0 2,498 6.8	7.3 61.2% 0 2,679 7.3	7.7 64.4% 0 2,820 7.7	8.1 67.2% 0
ADC on Admissions Occupancy on Admissions 23-Hour Observation Days Total Bed Days	12.1 5.5 45.8% 0 2,008	5.1 42.9% 0 1,877	5.8 48.2% 0 2,113	6.8 57.0% 0 2,498	7.3 61.2% 0 2,679	7.7 64.4% 0 2,820	8.1 67.2% 0 2,943

Note:

### Projection of NICU Admissions

Table Eight-A above showed that the project's primary service area sent 334 infants to NICU care in CY2014. To be conservative, TriStar Horizon projects that its second year NICU admissions will be at least 100 infants, which is equal to 30% of the service area's CY2014 NICU admissions. In the unit's ramp-up first year, its 85 projected admissions would be 85% of that second year volume. There are several reasons why this projection is reasonable.

First, TriStar Horizon Medical Center in Dickson is the sub-regional acute care center for a large rural service area, and offers the area's only wide range of acute care services. It works closely with the two other hospitals in the service area--both of which are 25-bed Critical Access hospitals without obstetrics, and both of which support this proposed nursery upgrade in Dickson. Horizon has two full-time obstetricians and a third is being recruited for CY 2016. It is the logical, and in fact the only possible, location for improved perinatal care in this swath of counties. It is difficult to see how the proposed upgrade of nursing staff competencies and equipment to Level II competencies would not be in the best interest of area families and newborns. The applicant believes that many more service area families will choose TriStar Horizon either for their deliveries, or for their babies' Level II care after birth elsewhere, as they become aware that the Horizon NICU can provide critically important newborn intensive care so much closer to home than it can be obtained in Nashville, Clarksville, or Columbia.

Second, the projected utilization will be attainable because service area demand for newborn Level II admissions appears to be soaring--reflecting more transfers of infants with persistent low blood sugar. During CY 2014, Horizon transferred 20 of its 430 newborns to Level II facilities. Horizon's annualized projection for CY 2015 (based on 10 months' experience) is 52 Level II transfers. That will be a 160% increase over the prior year--with only a 5% increase in annualized births. Data is not yet publicly available to demonstrate that a similar increase in NICU Level II admissions has been experienced by service area mothers who deliver in other hospitals; but it probably has. If so, the demand for NICU admissions from families in this service area will be much larger in CY 2017 than in the past. For example, in CY 2014, service area families had

334 infants in NICU status. If the new transfer policies for low-blood-sugar infants were to increase transfers by 100% (much less than the 160% Horizon has experienced), that would create a service area demand for NICU care of 668 newborns from this service area alone. Serving only 15% of them (100) at TriStar Horizon's Level II NICU, close to their families, would be a readily attainable projection.

### TriStar Horizon's Licensed Bed Count

The project will be implemented by licensure of six new NICU beds and simultaneous de-licensure of six underutilized medical-surgical beds. So the project will not add licensed beds to the service area.

C(II)1. PROVIDE THE COST OF THE PROJECT BY COMPLETING THE PROJECT COSTS CHART ON THE FOLLOWING PAGE. JUSTIFY THE COST OF THE PROJECT.

- ALL PROJECTS SHOULD HAVE A PROJECT COST OF AT LEAST \$3,000 ON LINE F (MINIMUM CON FILING FEE). CON FILING FEE SHOULD BE CALCULATED ON LINE D.
- THE COST OF ANY LEASE (BUILDING, LAND, AND/OR EQUIPMENT) SHOULD BE BASED ON FAIR MARKET VALUE OR THE TOTAL AMOUNT OF THE LEASE PAYMENTS OVER THE INITIAL TERM OF THE LEASE, WHICHEVER IS GREATER. NOTE: THIS APPLIES TO ALL EQUIPMENT LEASES INCLUDING BY PROCEDURE OR "PER CLICK" ARRANGEMENTS. THE METHODOLOGY USED TO DETERMINE THE TOTAL LEASE COST FOR A "PER CLICK" ARRANGEMENT MUST INCLUDE, AT A MINIMUM, THE PROJECTED PROCEDURES, THE "PER CLICK" RATE AND THE TERM OF THE LEASE.
- THE COST FOR FIXED AND MOVEABLE EQUIPMENT INCLUDES, BUT IS NOT NECESSARILY LIMITED TO, MAINTENANCE AGREEMENTS COVERING THE EXPECTED USEFUL LIFE OF THE EQUIPMENT; FEDERAL, STATE, AND LOCAL TAXES AND OTHER GOVERNMENT ASSESSMENTS; AND INSTALLATION CHARGES, EXCLUDING CAPITAL EXPENDITURES FOR PHYSICAL PLANT RENOVATION OR IN-WALL SHIELDING, WHICH SHOULD BE INCLUDED UNDER CONSTRUCTION COSTS OR INCORPORATED IN A FACILITY LEASE.
- FOR PROJECTS THAT INCLUDE NEW CONSTRUCTION, MODIFICATION, AND/OR RENOVATION; DOCUMENTATION MUST BE PROVIDED FROM A CONTRACTOR AND/OR ARCHITECT THAT SUPPORT THE ESTIMATED CONSTRUCTION COSTS.

The architect's letter supporting the construction cost estimate is provided in Attachment C, Economic Feasibility--1.

On the Project Costs Chart, following this response:

Line A.1, A&E fees, were estimated by the project architect.

Line A.2, legal, administrative, and consultant fees, include a contingency for expenses of legal assistance during the initial review period through an initial decision by the HSDA.

Line A.5, construction cost, was calculated by the architect and the hospital with the assistance of an experienced contractor utilized by the parent company in this area.

Line A.6, contingency, was estimated by the contractor at 10% of =construction costs in line A.5.

Line A.7 includes both fixed and moveable equipment costs, estimated by the HCA corporate development staff working with OB/Nursery staff of TriStar Horizon.

# PROJECT COSTS CHART-- TRISTAR HORIZON MEDICAL CENTER NICU

### Construction and equipment acquired by purchase: 30,000 1. Architectural and Engineering Fees 2. Legal, Administrative, Consultant Fees (Excl CON Filing Fee) 30,000 0 3. Acquisition of Site 0 4. Preparation of Site 375,000 1,500F @ \$250 5. Construction Cost 37,500 6. Contingency Fund in A.5 7. Fixed Equipment (Not included in Construction Contract) 500,000 8. Moveable Equipment (List all equipment over \$50,000) 9. Other (Specify) Acquisition by gift, donation, or lease: B. 0 1. Facility (inclusive of building and land) 2. Building only 0 3. Land only 4. Equipment (Specify) 5. Other (Specify) Financing Costs and Fees: 0 1. Interim Financing 0 2. Underwriting Costs 3. Reserve for One Year's Debt Service 4. Other (Specify) D. Estimated Project Cost 972,500 (A+B+C)3,000 **CON Filing Fee** E. 975,500 TOTAL \$ Total Estimated Project Cost (D+E) F. 975,500 **Actual Capital Cost** Section B FMV

#### C(II).2. IDENTIFY THE FUNDING SOURCES FOR THIS PROJECT.

- a. PLEASE CHECK THE APPLICABLE ITEM(S) BELOW AND BRIEFLY SUMMARIZE HOW THE PROJECT WILL BE FINANCED. (DOCUMENTATION FOR THE TYPE OF FUNDING MUST BE INSERTED AT THE END OF THE APPLICATION, IN THE CORRECT ALPHANUMERIC ORDER AND IDENTIFIED AS ATTACHMENT C, ECONOMIC FEASIBILITY-2).
- A. Commercial Loan--Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;
- B. Tax-Exempt Bonds--copy of preliminary resolution or a letter from the issuing authority, stating favorable contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;
- \_\_\_\_C. General Obligation Bonds--Copy of resolution from issuing authority or minutes from the appropriate meeting;
- \_\_\_\_D. Grants--Notification of Intent form for grant application or notice of grant award;
- \_x\_\_E. Cash Reserves--Appropriate documentation from Chief Financial Officer; or
- F. Other--Identify and document funding from all sources.

The project will be funded by a cash transfer to the applicant, from the parent company, HCA, Inc., through TriStar Health System, the division office to which this hospital belongs. Documentation of financing is provided in Attachment C, Economic Feasibility--2. The income statement and balance sheet of HCA, Inc. are also provided at that location.

C(II).3. DISCUSS AND DOCUMENT THE REASONABLENESS OF THE PROPOSED PROJECT COSTS. IF APPLICABLE, COMPARE THE COST PER SQUARE FOOT OF CONSTRUCTION TO SIMILAR PROJECTS RECENTLY APPROVED BY THE HSDA.

The project does not require new construction. It only requires renovation at an estimated cost of \$250 PSF. The cost was estimated by the architect and a consulting contractor familiar with the hospital. This is below the third quartile average costs for hospital renovation projects, as compiled by the HSDA Registry. See Table Two in an earlier section of the application.

C(II).4. COMPLETE HISTORICAL AND PROJECTED DATA CHARTS ON THE FOLLOWING TWO PAGES--DO NOT MODIFY THE CHARTS PROVIDED OR SUBMIT CHART SUBSTITUTIONS. HISTORICAL DATA CHART REPRESENTS REVENUE AND EXPENSE INFORMATION FOR THE LAST THREE (3) YEARS FOR WHICH COMPLETE DATA IS AVAILABLE PROJECTED DATA CHART REQUESTS FOR THE INSTITUTION. INFORMATION FOR THE TWO YEARS FOLLOWING COMPLETION OF PROJECTED DATA CHART SHOULD INCLUDE THIS PROPOSAL. REVENUE AND EXPENSE PROJECTIONS FOR THE PROPOSAL ONLY (I.E., ADDITIONAL BEDS, APPLICATION IS **FOR** ANTICIPATED REVENUE FROM THE PROPOSED BEDS ONLY, NOT FROM ALL BEDS IN THE FACILITY).

See the following pages for these charts, with notes where applicable.

### HISTORICAL DATA CHART — TRISTAR HORIZON MEDICAL CENTER

Give information for the last three (3) years for which complete data are available for the facility or agency. The fiscal year begins in January.

****	, 11504	r year begins in sandary.							
					2012		2013		2014
			Admissions	-	4,391		4,533		4,668
A.	Util	ization Data	Patient Days	-	18,099	_	18,892		19,198
В.	Rev	renue from Services to Patients							
	1.	Inpatient Services		\$_	131,364,944	, , <u> </u>	144,330,552		159,908,524
	2.	Outpatient Services		_	73,168,805	_	81,636,709		87,511,363
	3.	Emergency Services		_	123,734,966		117,181,043		149,938,382
	4.	Other Operating Revenue			486,566	2	540,227		563,658
		(Specify) See notes page					2		
			<b>Gross Operating Revenue</b>	\$_	328,755,281	\$	343,688,531	\$_	397,921,927
C.	Ded	uctions for Operating Revenue							•
	. 1.	Contractual Adjustments		\$_	245,602,262		265,418,399		314,521,768
	2.	Provision for Charity Care			4,198,833		3,787,755		4,121,129
	3.	Provisions for Bad Debt			10,602,626		7,649,999		10,022,665
			<b>Total Deductions</b>	\$_	260,403,721	\$	276,856,153	\$	328,665,562
NET	OPER	ATING REVENUE		\$_	68,351,560	\$	66,832,378	\$	69,256,365
D.	Ope	rating Expenses						-	
	1.	Salaries and Wages		\$_	31,408,734	_	31,428,851		32,559,455
	2.	Physicians Salaries and Wages			0		0		0
	3.	Supplies		****	8,822,088		9,018,665		9,417,896
	4.	Taxes			560,014		547,037		597,799
	5.	Depreciation			3,695,495		3,614,729		3,449,273
	6.	Rent			524,189		435,100	0 (	380,747
	7.	Interest, other than Capital			0		0		0
	8.	Management Fees				27			· · · · · · · · · · · · · · · · · · ·
		a. Fees to Affiliates			4,258,262		4,606,499	0 c <u>-</u>	4,653,512
		b. Fees to Non-Affiliates			0		0	8 S=	0
	9.	Other Expenses (Specify)	See notes page		19,535,775		18,115,333		17,672,525
			<b>Total Operating Expenses</b>	\$_	68,804,557		67,766,214	. a	68,731,207
E.	Othe	er Revenue (Expenses) Net (Sp	ecify)	\$_	0	\$	0	\$_	0
NET.	OPER	ATING INCOME (LOSS)		\$_	(452,997)	\$	(933,836)	\$_	525,158
F.	Capi	tal Expenditures							
	1.	Retirement of Principal		\$_	0	\$	0	\$	0
	2.	Interest			3,458,445		3,548,374	-	3,649,655
			<b>Total Capital Expenditures</b>	\$_	3,458,445	\$	3,548,374	\$	3,649,655
NET	OPER	ATING INCOME (LOSS)		7.				-	
LESS	S CAPI	TAL EXPENDITURES		\$_	(3,911,442)	\$	(4,482,210)	\$	(3,124,497)
									7-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1

### Historical Data Chart - Other Revenue & Expense TriStar Horizon Medical Center

Other Operating Revenue	2012	<u>2013</u>	2014
Dickson Community Clinic Rent	7,140	6,120	6,120
Education Fees	824	1,811	1,862
Pharmacy Surveys	1,200	3,000	600
Cafeteria	114,155	124,831	130,594
Return Check Fees	0	0	327
Childbirth Education Fees	0	698	198
Vending Machines	2,777	5,596	3,585
Supplies Sales	5,045	2,763	14,787
Miscellaneous	2,984	4,795	9,813
Medical Record Transcription	1,414	500	244
Medical Records Paternity Forms	3,760	3,460	5,180
Medical Staff Application Fees	3,300	3,900	7,700
Physician Office Rent	343,767	382,553	382,448
Automatic Teller Rent	200	200	200
	486,566	540,227	563,658

Other Expenses	2012	2013	<u>2014</u>
Professional Fees	4,011,876	3,861,836	3,368,812
Contract Services	9,659,775	8,348,013	8,482,991
Repairs & Maintenance	2,212,657	2,484,841	2,315,523
Utilities	1,876,952	1,757,177	1,746,147
Insurance	507,030	464,980	489,937
Legal & Audit Fees	43,380	47,640	57,957
Media, Advertising, Gallup Surveys	267,055	261,762	213,374
Postage & Shipping	100,090	87,455	88,706
Travel & Entertainment	118,564	87,349	143,956
Dues & Subscriptions	94,353	114,623	125,519
Physician Recruiting & Guarantees	284,993	197,062	132,383
Professional Dev., Software Licenses	355,774	442,327	539,322
Interest Income & Gain/Loss on Disposals	3,276	-39,732	-32,102
	19,535,775	18,115,333	17,672,525

### 90 PROJECTED DATA CHART-- TRISTAR HORIZON MEDICAL CENTER

Give information for the two (2) years following the completion of this proposal.

The fiscal year begins in January.

1116	nscar year begins in surroury.			2017		2018
		Admissions		5,294		5,400
Α.	Utilization Data	Patient Days		21,840		22,277
В.	Revenue from Services to Patients		-			
٥.	1. Inpatient Services		\$_	200,041,000	\$_	216,044,000
	2. Outpatient Services			107,895,000	-	116,527,000
	3. Emergency Services			219,132,000	_	236,663,000
	4. Other Operating Revenue (Spe	ecify) See notes page		634,000	_	659,000
		Gross Operating Revenue	\$_	527,702,000	\$_	569,893,000
C.	Deductions for Operating Revenue					
	1. Contractual Adjustments		\$_	415,678,000	\$_	449,803,000
	2. Provision for Charity Care		10/2	5,383,000	_	5,826,000
	3. Provisions for Bad Debt	*		16,816,000		18,197,000
		<b>Total Deductions</b>	\$_	437,877,000	\$_	473,826,000
NET	OPERATING REVENUE		\$_	89,825,000	\$	96,067,000
D.	Operating Expenses					
٥.	1. Salaries and Wages		\$_	38,338,000	\$_	40,912,000
	2. Physicians Salaries and Wages	<b>;</b>		1,500,000		1,500,000
	3. Supplies		200	10,350,000	-	10,764,000
	4. Taxes		=	675,000		729,000
	5. Depreciation		-	3,920,000		4,156,000
	6. Rent			494,000	_	514,000
	7. Interest, other than Capital		-	0	_	0
	8. Management Fees					
	a. Fees to Affiliates			5,530,000	_	5,835,000
	b. Fees to Non-Affiliates					
	9. Other Expenses (Specify)	See notes page		20,489,000	_	21,309,000
	Dues, Utilities, Insurance, and Prop Taxes.				-	
		<b>Total Operating Expenses</b>	\$_	81,296,000	\$_	85,719,000
E.	Other Revenue (Expenses) Net (	Specify)	\$_		\$_	
NET	OPERATING INCOME (LOSS)		\$_	8,529,000	\$_	10,348,000
F.	Capital Expenditures					
	1. Retirement of Principal		\$_		\$_	
	2. Interest		9=	3,909,000		3,948,000
		<b>Total Capital Expenditures</b>	\$_	3,909,000	\$_	3,948,000
NE	OPERATING INCOME (LOSS)					
	S CAPITAL EXPENDITURES		\$	4,620,000	\$_	6,400,000

# Projected Data Chart - Other Revenue & Expense TriStar Horizon Medical Center

Other Operating Revenue	2017	2018
Other Operating Nevertice		
Dickson Community Clinic Rent	0	0
Education Fees	2,100	2,200
Pharmacy Surveys	700	700
	146,900	152,700
Cafeteria	400	400
Return Check Fees	200	200
Childbirth Education Fees	4,000	4,200
Vending Machines	16,600	17,300
Supplies Sales		11,500
Miscellaneous	11,000	
Medical Record Transcription	300	300
Medical Records Paternity Forms	5,800	6,000
Medical Staff Application Fees	8,700	9,000
	437,100	454,300
Physician Office Rent	200	200
Automatic Teller Rent	634,000	659,000

Other Expenses	2017	<u>2018</u>
Other Expenses		
Professional Fees	3,654,000	3,800,000
Contract Services	9,782,000	10,173,000
Repairs & Maintenance	2,684,000	2,791,000
Utilities	2,024,000	2,105,000
Insurance	568,000	591,000
Legal & Audit Fees	67,000	70,000
Media, Advertising, Gallup Surveys	297,000	309,000
Postage & Shipping	103,000	107,000
Travel & Entertainment	167,000	174,000
Dues & Subscriptions	145,000	151,000
Physician Recruiting & Guarantees	410,000	426,000
Professional Dev., Software Licenses	625,000	650,000
Interest Income & Gain/Loss on Disposals	-37,000	-38,000
interest income & dain/ Loss on Disposais	20,489,000	21,309,000

### 92 PROJECTED DATA CHART— TRISTAR HORIZON MEDICAL CENTER NICU

Give information for the two (2) years following the completion of this proposal.

The fiscal year begins in January.

					2017		2018
			Admissions		85		100
Α.,	Utili	zation Data	Patient Days		1,105		1,300
В.	Reve	enue from Services to Patients					
	1.	Inpatient Services		\$_	3,796,000	\$_	4,778,000
	2.	Outpatient Services					
	3.	Emergency Services					
	4.	Other Operating Revenue (Spe	ecify) See notes page			-	
			<b>Gross Operating Revenue</b>	\$_	3,796,000	\$	4,778,000
C.	Ded	uctions for Operating Revenue				6	25
	1.	Contractual Adjustments		\$_	1,807,000	\$_	2,371,000
	2.	Provision for Charity Care			95,000		119,000
	3.	Provisions for Bad Debt			114,000		143,000
			<b>Total Deductions</b>	\$_	2,016,000	\$_	2,633,000
NET	OPER	ATING REVENUE		\$_	1,780,000	\$_	2,145,000
D.	Ope	rating Expenses					
	1.	Salaries and Wages		\$_	908,000	\$_	926,000
	2.	Physicians Salaries and Wages		-	120,000	14	120,000
	3.	Supplies		_	209,000		255,000
	4.	Taxes		_	5,000	_	5,000
	5.	Depreciation			54,000	_	54,000
	6.	Rent		_	4,000	_	4,000
	7.	Interest, other than Capital		_			
	8.	Management Fees					
		a. Fees to Affiliates			103,000	))	124,000
		b. Fees to Non-Affiliates		_		-	
	9.	Other Expenses (Specify)	See notes page	_	27,000	_	52,000
		Dues, Utilities, Insurance, and Prop Taxes.		_		0	
			Total Operating Expenses	\$ <b>_</b>	1,430,000	\$_	1,540,000
E.		er Revenue (Expenses) Net (S	pecify)	\$_		\$_	
NET		ATING INCOME (LOSS)		\$	350,000	\$_	605,000
F.	Capi	tal Expenditures					
	1.	Retirement of Principal		\$_		<b>\$</b> _	
	2.	Interest		_		2	()
			Total Capital Expenditures	\$_	0	\$_	0
		ATING INCOME (LOSS)					
LESS	CAP	ITAL EXPENDITURES		\$_	350,000	\$_	605,000

# Projected Data Chart - Other Revenue & Expense TriStar Horizon Medical Center NICU

	2017	2018
Other Expenses		
Professional Fees	0	0
	5,000	5,000
Contract Services	0	25,000
Repairs & Maintenance	0	0
Utilities	0	0
Insurance	0	0
Legal & Audit Fees	20,000	20,000
Media, Advertising, Gallup Surveys	20,000	20,000
Postage & Shipping	3,000	2,000
Travel & Entertainment	2,000	2,000
Dues & Subscriptions	0	
Physician Recruiting & Guarantees	0	0
Professional Dev., Software Licenses	0	C
Interest Income & Gain/Loss on Disposals	0	C
interest moone a dam 2000 on property	27,000	52,000

October 29, 2015

C(II).5. PLEASE IDENTIFY THE PROJECT'S AVERAGE GROSS CHARGE, AVERAGE DEDUCTION FROM OPERATING REVENUE, AND AVERAGE NET CHARGE.

Table Ten-A: Average Charges, Deductions, Net TriStar Horizon Medical Center (		
	CY2017	CY2018
Patient Days	21,840	22,277
Admissions or Discharges	5,294	5,400
Average Gross Charge Per Day (IP+OP)	\$24,162	\$25,582
Average Gross Charge Per Admission (IP+OP)	\$99,679	\$105,536
Average Deduction from Operating Revenue per Day	\$20,049	\$21,270
Average Deduction from Operating Revenue per Admission	\$82,712	\$87,746
Average Net Charge (Net Operating Revenue) Per Day	\$4,113	\$4,312
Average Net Charge (Net Operating Revenue) Per Admission	\$16,967	\$17,790
Average Net Operating Income after Expenses, Per Day	\$391	\$465
Average Net Operating Income after Expenses, Per Admission	\$1,611	\$1,916

Source: Hospital management.

Table Ten-B: Average Charges, Deductions, Net TriStar Horizon Medical Cente		perating Income
	CY2017	CY2018
Patient Days	1,105	1,300
Admissions or Discharges	85	100
Average Gross Charge Per Day	\$3,435	\$3,675
Average Gross Charge Per Admission	\$44,659	\$47,780
Average Deduction from Operating Revenue per Day	\$1,824	\$2,025
Average Deduction from Operating Revenue per Admission	\$23,718	\$26,330
Average Net Charge (Net Operating Revenue) Per Day	\$1,611	\$1,650
Average Net Charge (Net Operating Revenue) Per Admission	\$20,941	\$21,450
Average Net Operating Income after Expenses, Per Day	\$317	\$465
Average Net Operating Income after Expenses, Per Admission	\$4,118	\$6,050

Source: Hospital management.

C(II).6.A. PLEASE PROVIDE THE CURRENT AND PROPOSED CHARGE SCHEDULES FOR THE PROPOSAL. DISCUSS ANY ADJUSTMENT TO CURRENT CHARGES THAT WILL RESULT FROM THE IMPLEMENTATION OF THE PROPOSAL. ADDITIONALLY, DESCRIBE THE ANTICIPATED REVENUE FROM THE PROPOSED PROJECT AND THE IMPACT ON EXISTING PATIENT CHARGES.

The NICU is expected to operate with a positive margin; and its development will not impose any significant debt service. So the project will not affect any hospital charges in other departments, or for newborns in Level I status.

The response to C(II).6.B below provides the proposed average gross charges for the most frequent services in the NICU, and provides comparisons to other HCA Level II NICU's in Middle Tennessee, whose charges are available to the applicant. Charges at non-HCA hospitals in the area are not known.

C(II).6.B. COMPARE THE PROPOSED CHARGES TO THOSE OF SIMILAR FACILITIES IN THE SERVICE AREA/ADJOINING SERVICE AREAS, OR TO PROPOSED CHARGES OF PROJECTS RECENTLY APPROVED BY THE HSDA. IF APPLICABLE, COMPARE THE PROJECTED CHARGES OF THE PROJECT TO THE CURRENT MEDICARE ALLOWABLE FEE SCHEDULE BY COMMON PROCEDURE TERMINOLOGY (CPT) CODE(S).

Please see the following pages for Table Eleven, showing the applicant's most frequent charges for proposed NICU services, and comparable charges at other area hospitals to which the applicant has access.

	Table Fleven: TriSter Horizon Medical Center NICII Frequent Charges With Area Comparables	I NICIL:	requent Char	Tes With Area	Comparables	
			2015			
		2015	Summit Medical	20915 Stonecrest	III ZIK	Yr 1-2017* Horizon Yr 2-2018* Horizon
		Medicare	Center	Medical Center	Medical Center	Medical Center
DRG	Descriptor	Allowable	NICO	NICO	Proposed NICU	Proposed NICU
790	Extreme immaturity or respiratory distress syndrome, neonate	\$24,861	\$65,769	\$91,869	\$85,125	\$91,084
791	Prematurity with major problems	\$16,979	\$50,243	\$65,368	\$62,430	\$66,800
792	Prematurity without major problems	\$10,245	\$13,007	\$13,504	\$14,316	\$15,318
793	Full term neonate with major problems	\$17,442	\$19,293	\$25,756	\$24,326	\$26,029
794	Neonate with other significant problems	\$6,173	\$5,069	\$6,280	\$6,128	\$6,557
Source: 1	Source: Hospital management.					

# C(II).7. DISCUSS HOW PROJECTED UTILIZATION RATES WILL BE SUFFICIENT TO MAINTAIN COST-EFFECTIVENESS.

The projected inpatient days in the NICU are sufficient to show a positive net operating income. The utilization assumptions are historically based in terms of admissions and lengths of stay. Cost-effectiveness is assured.

# C(II).8. DISCUSS HOW FINANCIAL VIABILITY WILL BE ENSURED WITHIN TWO YEARS; AND DEMONSTRATE THE AVAILABILITY OF SUFFICIENT CASH FLOW UNTIL FINANCIAL VIABILITY IS MAINTAINED.

The proposed NICU projects a small positive net operating income in each of its first two years. Although the service is new, reimbursement relationships are already in place with NICU care insurers; so there will be no initial start-up period in which cash flow will be delayed. The consolidated hospital-wide Projected Data Chart shows that the hospital has sufficient cash flow to absorb any losses that the NICU could incur, if utilization projections are not attained.

C(II).9. DISCUSS THE PROJECT'S PARTICIPATION IN STATE AND FEDERAL REVENUE PROGRAMS, INCLUDING A DESCRIPTION OF THE EXTENT TO WHICH MEDICARE, TENNCARE/MEDICAID, AND MEDICALLY INDIGENT PATIENTS WILL BE SERVED BY THE PROJECT. IN ADDITION, REPORT THE ESTIMATED DOLLAR AMOUNT OF REVENUE AND PERCENTAGE OF TOTAL PROJECT REVENUE ANTICIPATED FROM EACH OF TENNCARE, MEDICARE, OR OTHER STATE AND FEDERAL SOURCES FOR THE PROPOSAL'S FIRST YEAR OF OPERATION.

As the tables below show, the hospital is very accessible to all of the above listed groups. The proposed NICU will be especially utilized by TennCare infants. Low-income newborns without insurance have almost total access to TennCare coverage and Horizon will continue to ensure their enrollments as NICU care is provided.

Table Twelve-A: TriStar Horizon Medical Center, CY 2014		
Payor	Percent of Gross Revenues	Amount of Gross Revenues
Medicare	62%	\$246,711,595
Medicaid/TennCare	15%	\$59,688,289
Commercial/HMO/PPO	13%	\$55,709,070
Charity/Self-Pay	8%	\$31,833,754
Other	2%	\$3,979,219
Total	100%	\$397,921,927

Source: Hospital management.

Table Twelve-B: TriStar Horizon Medical Center, Year OneCY2017		
Payor	Percent of Gross Revenues	Amount of Gross Revenues
Medicare	63.0%	\$332,452,260
Medicaid/TennCare	16.0%	\$84,432,320
Commercial/HMO/PPO	14.0%	\$73,878,280
Charity/Self-Pay	6.0%	\$31,662,120
Other	1.0%	\$5,277,020
Total	100.0%	\$527,702,000

Source: Hospital management.

Table Twelve-C: TriStar Horizon Medical Center NICU, Year OneCY2017		
Payor	Percent of Gross Revenues	Amount of Gross Revenues
Medicare	SEE.	
Medicaid/TennCare	80.0%	\$3,036,800
Commercial/HMO/PPO	18.0%	\$683,280
Charity/Self-Pay	2.0%	\$75,920
Other		
Total	100.0%	\$3,796,000

Source: Hospital management.

C(II).10. PROVIDE COPIES OF THE BALANCE SHEET AND INCOME STATEMENT FROM THE MOST RECENT REPORTING PERIOD OF THE INSTITUTION, AND THE MOST RECENT AUDITED FINANCIAL STATEMENTS WITH ACCOMPANYING NOTES, IF APPLICABLE. FOR NEW PROJECTS, PROVIDE FINANCIAL INFORMATION FOR THE CORPORATION, PARTNERSHIP, OR PRINCIPAL PARTIES INVOLVED WITH THE PROJECT. COPIES MUST BE INSERTED AT THE END OF THE APPLICATION, IN THE CORRECT ALPHANUMERIC ORDER AND LABELED AS ATTACHMENT C, ECONOMIC FEASIBILITY--10.

These are provided as Attachment C, Economic Feasibility--10.

C(II)11. DESCRIBE ALL ALTERNATIVES TO THIS PROJECT WHICH WERE CONSIDERED AND DISCUSS THE ADVANTAGES AND DISADVANTAGES OF EACH ALTERNATIVE, INCLUDING BUT NOT LIMITED TO:

- A. A DISCUSSSION REGARDING THE AVAILABILITY OF LESS COSTLY, MORE EFFECTIVE, AND/OR MORE EFFICIENT ALTERNATIVE METHODS OF PROVIDING THE BENEFITS INTENDED BY THE PROPOSAL. IF DEVELOPMENT OF SUCH ALTERNATIVES IS NOT PRACTICABLE, THE APPLICANT SHOULD JUSTIFY WHY NOT, INCLUDING REASONS AS TO WHY THEY WERE REJECTED.
- B. THE APPLICANT SHOULD DOCUMENT THAT CONSIDERATION HAS BEEN GIVEN TO ALTERNATIVES TO NEW CONSTRUCTION, E.G., MODERNIZATION OR SHARING ARRANGEMENTS. IT SHOULD BE DOCUMENTED THAT SUPERIOR ALTERNATIVES HAVE BEEN IMPLEMENTED TO THE MAXIMUM EXTENT PRACTICABLE.

In terms of cost, this is the hospital's best design option because it does not require new construction, and because the cost of the renovation compares favorably to hospital capital project costs monitored by the HSDA Registry. Demand data indicates that no more than six NICU beds will be utilized at times of heavy demand, because the average daily census of the NICU will average between 3 and 4 infants.

Not offering a Level II NICU is unacceptable because the long-range viability of obstetrics in this area requires the presence of a Level II program, and because rural residents in these counties deserve accessibility to Level II neonatal care that is more comparable to that of urban populations that have multiple options close by.

C(III).1. LIST ALL EXISTING HEALTH CARE PROVIDERS (I.E., HOSPITALS, NURSING HOMES, HOME CARE ORGANIZATIONS, ETC.) MANAGED CARE ORGANIZATIONS, ALLIANCES, AND/OR NETWORKS WITH WHICH THE APPLICANT CURRENTLY HAS OR PLANS TO HAVE CONTRACTUAL AND/OR WORKING RELATIONSHIPS, E.G., TRANSFER AGREEMENTS, CONTRACTUAL AGREEMENTS FOR HEALTH SERVICES.

TriStar Horizon's special relationship with TriStar Centennial Women's and Children's Hospital Level III NICU has been described elsewhere in this application. In the first 10 months of CY 2010, Horizon has transported 52 newborns to Level II programs; 98% of those transports (51 newborns) have been to Centennial Women's and Children's Hospital. Level III and IV transfers have gone to Centennial and to Vanderbilt Medical Center.

The Centennial Women's and Children's Hospital staff and neonatology group have worked closely with Horizon in planning the project. They will assist and train Horizon's Level II NICU staff on a continuing basis.

# C(II).7. DISCUSS HOW PROJECTED UTILIZATION RATES WILL BE SUFFICIENT TO MAINTAIN COST-EFFECTIVENESS.

The projected inpatient days in the NICU are sufficient to show a positive net operating income. The utilization assumptions are historically based in terms of admissions and lengths of stay. Cost-effectiveness is assured.

# C(II).8. DISCUSS HOW FINANCIAL VIABILITY WILL BE ENSURED WITHIN TWO YEARS; AND DEMONSTRATE THE AVAILABILITY OF SUFFICIENT CASH FLOW UNTIL FINANCIAL VIABILITY IS MAINTAINED.

The proposed NICU projects a small positive net operating income in each of its first two years. Although the service is new, reimbursement relationships are already in place with NICU care insurers; so there will be no initial start-up period in which cash flow will be delayed. The consolidated hospital-wide Projected Data Chart shows that the hospital has sufficient cash flow to absorb any losses that the NICU could incur, if utilization projections are not attained.

C(II).9. DISCUSS THE PROJECT'S PARTICIPATION IN STATE AND FEDERAL REVENUE PROGRAMS, INCLUDING A DESCRIPTION OF THE EXTENT TO WHICH MEDICARE, TENNCARE/MEDICAID, AND MEDICALLY INDIGENT PATIENTS WILL BE SERVED BY THE PROJECT. IN ADDITION, REPORT THE ESTIMATED DOLLAR AMOUNT OF REVENUE AND PERCENTAGE OF TOTAL PROJECT REVENUE ANTICIPATED FROM EACH OF TENNCARE, MEDICARE, OR OTHER STATE AND FEDERAL SOURCES FOR THE PROPOSAL'S FIRST YEAR OF OPERATION.

As the tables below show, the hospital is very accessible to all of the above listed groups. The proposed NICU will be especially utilized by TennCare infants. Low-income newborns without insurance have almost total access to TennCare coverage and Horizon will continue to ensure their enrollments as NICU care is provided.

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Medicaid/TennCare	15%	\$59,688,289
Commercial/HMO/PPO	13%	\$55,709,070
	8%	\$31,833,754
Charity/Self-Pay	2%	\$3,979,219
Other	100%	\$397,921,927
Total	10070	ψυση, συς, συς, συς, συς, συς, συς, συς, συς

Source: Hospital management.

Table Twelve-B: T	riStar Horizon Medical Cente	er, Year OneCY2017
Payor	Percent of Gross Revenues	Amount of Gross Revenues
Medicare	63.0%	\$332,452,260
Medicaid/TennCare	16.0%	\$84,432,320
Commercial/HMO/PPO	14.0%	\$73,878,280
	6.0%	\$31,662,120
Charity/Self-Pay	1.0%	\$5,277,020
Other Total	100.0%	\$527,702,000

Source: Hospital management.

	tar Horizon Medical Center N Percent of Gross Revenues	Amount of Gross Revenues
Payor	Percent of Gloss Revenues	
Medicare		
Medicaid/TennCare	80.0%	\$3,036,800
Commercial/HMO/PPO	18.0%	\$683,280
Charity/Self-Pay	2.0%	\$75,920
Other		-
Total	100.0%	\$3,796,000

Source: Hospital management.

C(II).10. PROVIDE COPIES OF THE BALANCE SHEET AND INCOME STATEMENT FROM THE MOST RECENT REPORTING PERIOD OF THE INSTITUTION, AND THE MOST RECENT AUDITED FINANCIAL STATEMENTS WITH ACCOMPANYING NOTES, IF APPLICABLE. FOR NEW PROJECTS, PROVIDE FINANCIAL INFORMATION FOR THE CORPORATION, PARTNERSHIP, OR PRINCIPAL PARTIES INVOLVED WITH THE PROJECT. COPIES MUST BE INSERTED AT THE END OF THE APPLICATION, IN THE CORRECT ALPHANUMERIC ORDER AND LABELED AS ATTACHMENT C, ECONOMIC FEASIBILITY--10.

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- A. A DISCUSSSION REGARDING THE AVAILABILITY OF LESS COSTLY, MORE EFFECTIVE, AND/OR MORE EFFICIENT ALTERNATIVE METHODS OF PROVIDING THE BENEFITS INTENDED BY THE PROPOSAL. IF DEVELOPMENT OF SUCH ALTERNATIVES IS NOT PRACTICABLE, THE APPLICANT SHOULD JUSTIFY WHY NOT, INCLUDING REASONS AS TO WHY THEY WERE REJECTED.
- B. THE APPLICANT SHOULD DOCUMENT THAT CONSIDERATION HAS BEEN GIVEN TO ALTERNATIVES TO NEW CONSTRUCTION, E.G., MODERNIZATION OR SHARING ARRANGEMENTS. IT SHOULD BE DOCUMENTED THAT SUPERIOR ALTERNATIVES HAVE BEEN IMPLEMENTED TO THE MAXIMUM EXTENT PRACTICABLE.

In terms of cost, this is the hospital's best design option because it does not require new construction, and because the cost of the renovation compares favorably to hospital capital project costs monitored by the HSDA Registry. Demand data indicates that no more than six NICU beds will be utilized at times of heavy demand, because the average daily census of the NICU will average between 3 and 4 infants.

Not offering a Level II NICU is unacceptable because the long-range viability of obstetrics in this area requires the presence of a Level II program, and because rural residents in these counties deserve accessibility to Level II neonatal care that is more comparable to that of urban populations that have multiple options close by.

C(III).1. LIST ALL EXISTING HEALTH CARE PROVIDERS (I.E., HOSPITALS, NURSING HOMES, HOME CARE ORGANIZATIONS, ETC.) MANAGED CARE ORGANIZATIONS, ALLIANCES, AND/OR NETWORKS WITH WHICH THE APPLICANT CURRENTLY HAS OR PLANS TO HAVE CONTRACTUAL AND/OR WORKING RELATIONSHIPS, E.G., TRANSFER AGREEMENTS, CONTRACTUAL AGREEMENTS FOR HEALTH SERVICES.

TriStar Horizon's special relationship with TriStar Centennial Women's and Children's Hospital Level III NICU has been described elsewhere in this application. In the first 10 months of CY 2010, Horizon has transported 52 newborns to Level II programs; 98% of those transports (51 newborns) have been to Centennial Women's and Children's Hospital. Level III and IV transfers have gone to Centennial and to Vanderbilt Medical Center.

The Centennial Women's and Children's Hospital staff and neonatology group have worked closely with Horizon in planning the project. They will assist and train Horizon's Level II NICU staff on a continuing basis.

#### Entities Receiving the Majority of Discharges from Horizon Medical Center

Amedisys Home Care, Dickson
Guardian Home Care of Nashville, Dickson
Home Care Solutions, Dickson
Home Health Care of Middle Tennessee, Dickson
Caris Healthcare (hospice), Dickson
Avalon Hospice, Dickson
Dickson Healthcare Center (NH), Dickson
NHC Healthcare (NH), Dickson
Waverly Health Care and Rehabilitation (NH) Waverly
Select Specialty Hospital (LTAC), Nashville
Kindred Hospital (LTAC), Nashville

## Home Health Care Agency

### **Home Care Solutions - Dickson**

762 Highway 46 S Dickson, TN 37055 Tel: (615) 441-0009 Fax (615) 446-7206 Covers Dickson and surrounding counties

## **Guardian Home Care Dickson**

407 Henslee Drive Dickson, TN 37055 Tel: (615) 441-1747 Fax: 615-441-3621

Covers Dickson and surrounding counties

## **Amedisys Home Health Care - Dickson**

437 Henslee Dr Dickson, TN 37055 Tel: (615) 326-0369 Fax: (615) 326-0369

**Covers Dickson and Surrounding counties** 

### **NHC Home Care - Dickson**

305 Highway 70 East Dickson, TN 37055 Tel: (615) 446-5574 Fax: (615) 446-5101

Covers Dickson and Surrounding counties.

# SunCrest Home Health-Dickson (Does not cover Hickman County or Humphreys)

705 Hwy 70 East Ste. 9 Dickson, TN 37055 Tel: (615) 446-8282 Fax: (615) 446-2282

## Saint Thomas Home Health

135 EAST SWAN ST Centerville, TN 37033 Tel: (931) 729-4500 Fax: (931) 729-9000

### FRIENDSHIP HOME HEALTH -

NASHVILLE 333 PLUS PARK BLVD Nashville, TN 37217 Tel: (615) 365-4336

Fax: (615) 365-7897

### **Volunteer Home Care of West**

Tennessee, Inc. 405 Tennessee Avenue South P.O. Box 25 Parsons, TN 38363

Tel: (731) 847-8250 Fax: (731) 847-8255 Covers West TN.

### **Tennessee Quality Homecare - Parsons**

1939 Tennessee Avenue North P.O. Box 635 Parsons, TN 38363 Tel: (866) 846-8081

Fax: (866) 369-1053 Covers West TN.

# **Dickson County**

DICKSON HEALTHCARE CENTER 901 NORTH CHARLOTTE ST. DICKSON, TN 37055 Attn: BONNIE CREWS (615) 446-8150

NHC HEALTHCARE, DICKSON 812 N. CHARLOTTE STREET DICKSON, TN 37055 Attn: STEVEN YOKLEY (615) 446-8046

## **Houston County**

SIGNATURE HEALTHCARE OF ERIN 278 ROCKY HOLLOW ROAD ERIN, TN 37061-6053 Attn: BEVERLY WALL (931) 289-4141

### **Humphreys County**

HUMPHREYS COUNTY NURSING HOME 670 HIGHWAY 13 SOUTH WAVERLY, TN 37185 Attn: PHYLLIS CHERRY (931) 296-2532

WAVERLY HEALTH CARE AND REHABILITATION CENTER, INC. 895 POWERS BLVD.
WAVERLY, TN 37185
Attn: RONALD E. KNOX
(931) 296-7552

### **Hickman County**

HICKMAN COMMUNITY NURSING HOME 135 EAST SWAN STREET CENTERVILLE, TN 37033 Attn: JACK M. KELLER (931) 729-3513

LIFE CARE CENTER OF CENTERVILLE 112 OLD DICKSON ROAD CENTERVILLE, TN 37033 Attn: JOHN M. PUGH (931) 729-4236

### Hospice Dickson County

CARIS HEALTHCARE 114 HIGHWAY 70 EAST, SUITE 3 DICKSON, TN 37055

Attn:

(615) 441-5296

Certified Counties

Bedford, Cheatham, Davidson, Dickson, Franklin, Giles, Hardin, Hickman, Houston, Humphreys, Lawrence, Lewis, Lincoln, Marshall, Maury, Montgomery, Moore, Perry, Rutherford, Stewart, Wayne, Williamson

### AVALON HOSPICE

216 E. College St., Building D, Suite 3 Dickson, TN 37055 P: 615-326-0135 Certified Counties All Counties

### ALIVE HOSPICE

1718 Patterson Street Nashville, TN 37203 Phone: 615-327-1085

Toll Free: 800-327-1085 Fax: 615-321-8902

Intake: 615-963-4807 Certified Counties

Alive Hospice serves the following counties in Middle Tennessee: Bedford, Cannon, Cheatham, Coffee, Davidson, DeKalb, Dickson, Robertson, Rutherford, Sumner,

Williamson, Wilson

C(III).2. DESCRIBE THE POSITIVE AND/OR NEGATIVE EFFECTS OF THE PROPOSAL ON THE HEALTH CARE SYSTEM. PLEASE BE SURE TO DISCUSS ANY INSTANCES OF DUPLICATION OR COMPETITION ARISING FROM YOUR PROPOSAL, INCLUDING A DESCRIPTION OF THE EFFECT THE PROPOSAL WILL HAVE ON THE UTILIZATION RATES OF EXISTING PROVIDERS IN THE SERVICE AREA OF THE PROJECT.

The proposed NICU in Dickson will have very positive impacts on its rural service area. It will reduce the emotional strain of separation of a newborn from the family, reduce significant family travel times and expense of daily drives to Nashville to be with newborns, and reduce delays in neonatal care while awaiting neonatal transport. For Level II infants born at TriStar Horizon, the project will eliminate substantial charges (and some risk) of neonatal ambulance transport to and from downtown Nashville--which have only recently become necessary due to changes in pediatric clinical guidelines.

It will positively impact its affiliated Level III NICU in downtown Nashville, at TriStar Centennial Women's and Children's Hospital, by relieving it of Level II care for substantial numbers of infants from the Dickson project service area, freeing up resources for the additional census seeking care at that Level III nursery as its pediatric subspecialties expand in this and subsequent years.

The NICU should not have any significant adverse impact on other Level II facilities. First, there is no NICU in the service area that can be affected. Second, the downtown NICU programs that could be affected other than Centennial—Vanderbilt and Baptist—probably do not derive a large percent of their Level II NICU admissions from this service area. Third, TriStar Horizon projects that the great majority of its admissions will be service area infants who otherwise would be transported to TriStar Centennial Women's and Children's Hospital (which supports this project).

C(III).3. PROVIDE THE CURRENT AND/OR ANTICIPATED STAFFING PATTERN FOR ALL EMPLOYEES PROVIDING PATIENT CARE FOR THE PROJECT. THIS CAN BE REPORTED USING FTE'S FOR THESE POSITIONS. IN ADDITION, PLEASE COMPARE THE CLINICAL STAFF SALARIES IN THE PROPOSAL TO PREVAILING WAGE PATTERNS IN THE SERVICE AREA AS PUBLISHED BY THE TENNESSEE DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT AND/OR OTHER DOCUMENTED SOURCES.

Please see the following page for a Table of projected FTE's and salary ranges.

The Department of Labor and Workforce Development website indicates the following Middle Tennessee region's annual salary information for clinical employees of this project. The Department's recently revised salary surveys appear not to include many healthcare positions that were surveyed in previous years.

Position	Entry	Mean	<ul> <li>Experienced</li> </ul>
RN (unlisted)			
Respiratory Therapist	\$20.63	\$24.86	\$26.98
Pharmacist	\$46.78	\$57.93	\$63.51
Social Worker	\$15.36	\$25.63	\$30.02
Lactation Nurse (unlisted)			

1,078,005.26	738,966.47			12.4	12.4	0	Totals
38,007.34	25,338.23	35.97	23.98	0.4	0.4	0	Lactation Consultant
25,750.32		24.37	17.41	0.4	0.4	0	Social Services
67,994.78	52,303.68	64.35	49.50	0.4	0.4	0	Pharmacist
173,822.56	119,891.66	29.91	20.63	2.2	2.2	0	RT (Ratio 1:6 for NICU)
772,430.26	523,036.80	32.49	22.00	9.0	9.0	0	RN (Ratio 1:2 for NICU)
Maximum	Minimum	Salary	Salary	FTE's	FTE's	2015	Position Type (RN, etc.)
		Maximum	Minimum   Maximum				
alaries, Yr Two	Each Position   Total Potential Salaries, Yr Two	Position	Each	Year 2	Year 1	Current	
			CY2016 - CY2017	CY2016			
Table Fourteell ; Illotal Hollson Federal Center Flobosca Level II MACO The ellicities of all the recent			L   ) ) ) L ) '	1)			

Source: Hospital Management

### Notes:

Lactation Consultant - Hospital has a full time lactation consultant. Some of employee's hrs allocated to NICU. RT - Adding a 12 hr shift on nights to cover the NICU. There is enough staff on days to cover the unit. Social Services - Hospital has two social workers. Some of employee's hrs allocated to NICU. Pharmacist - Adding more hours to the pharmacy dept to cover NICU. Includes benefit cost at 27%. C(III).4. DISCUSS THE AVAILABILITY OF AND ACCESSIBILITY TO HUMAN RESOURCES REQUIRED BY THE PROPOSAL, INCLUDING ADEQUATE PROFESSIONAL STAFF, AS PER THE DEPARTMENT OF HEALTH, THE DEPARTMENT OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES, AND/OR THE DIVISION OF MENTAL RETARDATION SERVICES LICENSING REQUIREMENTS.

TriStar Horizon Medical Center has decades of successful experience with staffing its medical-surgical services and maintaining compliance with State requirements and standards. This project can be staffed without delay. Most of the staffing increase will be additional hours allocated to NICU care for personnel already employed in the hospital or in the Level I nursery program.

The applicant's parent company, HCA, and its local Division office and hospitals, also have many years of successful experience in this regard with respect to staffing Neonatal Intensive Care services appropriately. The Division's Level III NICU in Nashville will continue to assist TriStar Horizon Medical Center in developing this project, and in educating and training its staff to operate a Level II NICU in compliance with the Tennessee Perinatal Guidelines, State licensing standards., and accreditation requirements.

C(III).5. VERIFY THAT THE APPLICANT HAS REVIEWED AND UNDERSTANDS THE LICENSING CERTIFICATION AS REQUIRED BY THE STATE OF TENNESSEE FOR MEDICAL/CLINICAL STAFF. THESE INCLUDE, WITHOUT LIMITATION, REGULATIONS CONCERNING PHYSICIAN SUPERVISION, CREDENTIALING, ADMISSIONS PRIVILEGES, QUALITY ASSURANCE POLICIES AND PROGRAMS, UTILIZATION REVIEW PPOLICIES AND PROGRAMS, RECORD KEEPING, AND STAFF EDUCATION.

The applicant so verifies.

C(III).6. DISCUSS YOUR HEALTH CARE INSTITUTION'S PARTICIPATION IN THE TRAINING OF STUDENTS IN THE AREAS OF MEDICINE, NURSING, SOCIAL WORK, ETC. (I.E., INTERNSHIPS, RESIDENCIES, ETC.).

Horizon Medical Center is a clinical rotation site for numerous students in health professions training programs. These include Nursing/Nurse Practitioner, Occupational Therapy, Physical Therapy, Respiratory Therapy, Pharmacy, CRNA, and Paramedic training programs. Horizon's affiliates for these clinical rotations include Aquinas College, Austin Peay State University, Belmont University, Bethel College, Columbia State Community College, East Tennessee State University, Middle Tennessee School of Anesthesia, Lipscomb University, Mercer University, Murray State University, Tennessee State University, Tennessee Technology Center, Union University, the University of Tennessee in Memphis and in Martin, Vanderbilt University, and Volunteer State Community College.

C(III).7(a). PLEASE VERIFY, AS APPLICABLE, THAT THE APPLICANT HAS REVIEWED AND UNDERSTANDS THE LICENSURE REQUIREMENTS OF THE DEPARTMENT OF HEALTH, THE DEPARTMENT OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES, THE DIVISION OF MENTAL RETARDATION SERVICES, AND/OR ANY APPLICABLE MEDICARE REQUIREMENTS.

The applicant so verifies.

C(III).7(b). PROVIDE THE NAME OF THE ENTITY FROM WHICH THE APPLICANT HAS RECEIVED OR WILL RECEIVE LICENSURE, CERTIFICATION, AND/OR ACCREDITATION

LICENSURE:

Board for Licensure of Healthcare Facilities

Tennessee Department of Health

**CERTIFICATION:** 

Medicare Certification from CMS

TennCare Certification from TDH

ACCREDITATION: Joint Commission

C(III).7(e). IF AN EXISTING INSTITUTION, PLEASE DESCRIBE THE CURRENT STANDING WITH ANY LICENSING, CERTIFYING, OR ACCREDITING AGENCY OR AGENCY.

The applicant is currently licensed in good standing by the Board for Licensing Health Care Facilities, certified for participation in Medicare and Medicaid/TennCare, and fully accredited by the Joint Commission.

C(III).7(d). FOR EXISTING LICENSED PROVIDERS, DOCUMENT THAT ALL DEFICIENCIES (IF ANY) CITED IN THE LAST LICENSURE CERTIFICATION AND INSPECTION HAVE BEEN ADDRESSED THROUGH AN APPROVED PLAN OF CORRECTION. PLEASE INCLUDE A COPY OF THE MOST RECENT LICENSURE/CERTIFICATION INSPECTION WITH AN APPROVED PLAN OF CORRECTION.

They have been addressed. A copy of the most recent licensure inspection and plan of correction, and/or the most recent accreditation inspection, are provided in Attachment C, Orderly Development--7(C).

C(III)8. DOCUMENT AND EXPLAIN ANY FINAL ORDERS OR JUDGMENTS ENTERED IN ANY STATE OR COUNTRY BY A LICENSING AGENCY OR COURT AGAINST PROFESSIONAL LICENSES HELD BY THE APPLICANT OR ANY ENTITIES OR PERSONS WITH MORE THAN A 5% OWNERSHIP INTEREST IN THE APPLICANT. SUCH INFORMATION IS TO BE PROVIDED FOR LICENSES REGARDLESS OF WHETHER SUCH LICENSE IS CURRENTLY HELD.

None.

C(III)9. IDENTIFY AND EXPLAIN ANY FINAL CIVIL OR CRIMINAL JUDGMENTS FOR FRAUD OR THEFT AGAINST ANY PERSON OR ENTITY WITH MORE THAN A 5% OWNERSHIP INTEREST IN THE PROJECT.

None.

C(III)10. IF THE PROPOSAL IS APPROVED, PLEASE DISCUSS WHETHER THE APPLICANT WILL PROVIDE THE THSDA AND/OR THE REVIEWING AGENCY INFORMATION CONCERNING THE NUMBER OF PATIENTS TREATED, THE NUMBER AND TYPE OF PROCEDURES PERFORMED, AND OTHER DATA AS REQUIRED.

Yes. The applicant will provide the requested data consistent with Federal HIPAA requirements.

### PROOF OF PUBLICATION

Attached.

### **DEVELOPMENT SCHEDULE**

1. PLEASE COMPLETE THE PROJECT COMPLETION FORECAST CHART ON THE NEXT PAGE. IF THE PROJECT WILL BE COMPLETED IN MULTIPLE PHASES, PLEASE IDENTIFY THE ANTICIPATED COMPLETION DATE FOR EACH PHASE.

The Project Completion Forecast Chart is provided after this page.

2. IF THE RESPONSE TO THE PRECEDING QUESTION INDICATES THAT THE APPLICANT DOES NOT ANTICIPATE COMPLETING THE PROJECT WITHIN THE PERIOD OF VALIDITY AS DEFINED IN THE PRECEDING PARAGRAPH, PLEASE STATE BELOW ANY REQUEST FOR AN EXTENDED SCHEDULE AND DOCUMENT THE "GOOD CAUSE" FOR SUCH AN EXTENSION.

Not applicable. The applicant anticipates completing the project within the period of validity.

### PROJECT COMPLETION FORECAST CHART

Enter the Agency projected Initial Decision Date, as published in Rule 68-11-1609(c):

January 27, 2016

Assuming the CON decision becomes the final Agency action on that date, indicate the number of days from the above agency decision date to each phase of the completion forecast.

PHASE	DAYS REQUIRED	Anticipated Date (MONTH/YEAR)
1. Architectural & engineering contract signed	4	2/16
2. Construction documents approved by TDH	64	4/16
3. Construction contract signed	79	4/16
4. Building permit secured	94	4/16
5. Site preparation completed	n/a	n/a
6. Building construction commenced	95	5/16
7. Construction 40% complete	185	8/16
8. Construction 80% complete	215	9/16
9. Construction 100% complete	260	10/16
10. * Issuance of license	n/a	n/a
11. *Initiation of service	320	12/16
12. Final architectural certification of payment	380	2/17
13. Final Project Report Form (HF0055)	425	4/17

<sup>\*</sup> For projects that do NOT involve construction or renovation: please complete items 10-11 only.

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

NOTARY PUBLIC

### **AFFIDAVIT**

STATE OFTENNESSEE
COUNTY OFDAVIDSON
JOHN WELLBORN, being first duly sworn, says that he is the lawful agent of the applicant named in this application, that this project will be completed in accordance with the application to the best of the agent's knowledge, that the agent has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, et seq., and that the responses to this application or any other questions deemed
appropriate by the Health Services and Development Agency are true and complete to the
best of the agent's knowledge.    John & Wellborn     SIGNATURE/TITLE     CONSULTANT
Sworn to and subscribed before me this 15th day of October, 2015 a Notary
Public in any for the County/State of DAVIDSON  STATE  STATE  DAVIDSON

RAMINISSION EXPIRES JUN 2

My commission expires 14 2 (Menth/Day)

### **INDEX OF ATTACHMENTS**

A.4 Ownership--Legal Entity and Organization Chart (if applicable)

A.6 Site Control

B.III. Plot Plan

B.IV. Floor Plan

C, Need—1.A Documentation of Project-Specific Criteria

C, Need--1.A.3. Qualifications

C, Need--3 Service Area Maps

C, Economic Feasibility--1 Documentation of Construction Cost Estimate

C, Economic Feasibility--2 Documentation of Availability of Funding

C, Economic Feasibility--10 Financial Statements

C, Orderly Development--7(C) Licensing & Accreditation Inspections

Miscellaneous Information JAMA Article--Effects of Low Blood Sugar on

Neonates

Quickfacts Demographic Data on Service Area

TennCare Enrollments in Service Area

Support Letters

2016 , and is subject

# Board for Licensing Health Care Facilities



No. of Beds\_

## DEPARTIMENT OF HEALTH

This is to certify, that a license is hereby granted by the State Department of Health to

to conduct and maintain a

SENTER	
TRISTAR HORIZON MEDICAL (	
Postutal	,

CENTRAL TENNESSEE HOSPITAL CORPORATION

Hospital	TRISTAF	TRISTAR HORIZON MEDICAL CENTER	(1)
Pocated at	111 HIGHWAY 70 EAST, DICKSON		
County of	DICKSON	, Gennessee.	
Mis	license shall extens	MAY 12	2016 , and is subs

laws of the State of Termessee or the rules and regulations of the State Department of Health issued thereunder. to the provisions of Chapter 11, Tennesses Gode Annotated. This license shall not be assignable or transferable, and shall be subject to resocction at any time by the State Department of Featth, for failure to comply with the Fr Offiness Mercof, we have hereunto set our hand and seal of the State this 215T day of APRIL In the Distinct Category (1464) of: PEDIATRIC BASIC HOSPITAL



DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

NAMISSIONER

### Horizon Medical Center

Dickson, TN

has been Accredited by



### The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the

Hospital Accreditation Program

June 1, 2013

Accreditation is customarily valid for up to 36 months.

Rebeccay, Parchin, M.D.

Chair, Board of Commissioners

Organization ID #7826 Print/Reprint Date: 10/21/13

Mark R. Chassin, MD, PACP, MPP, MPI

President

The Joint Commission is an independent, not-for-profit, national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.

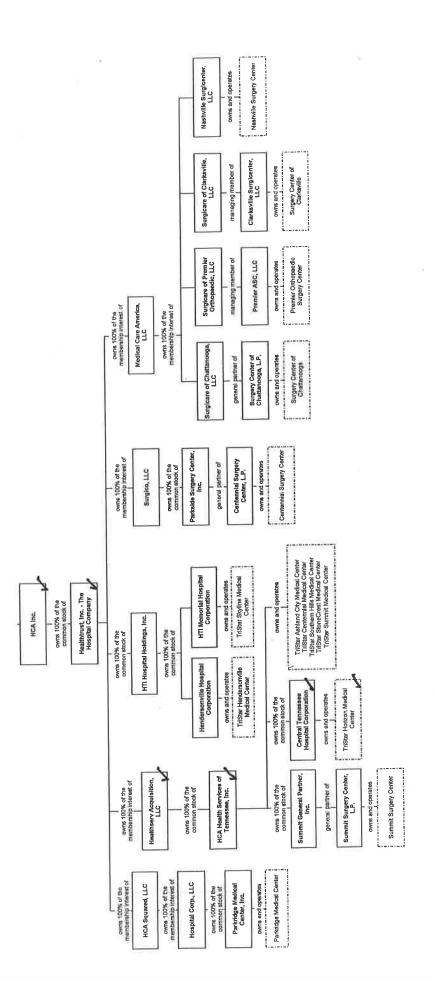












### HCA FACILITIES IN TENNESSEE 2015

### HOSPITALS AND HOSPITAL AFFILIATES

TriStar Ashland City Medical Center 313 North Main Street Ashland City, TN 37015 615-792-3030

TriStar Centennial Medical Center 2300 Patterson Street Nashville, TN 37203 615-342-1040

Parthenon Pavilion 2401 Parman Place

Sarah Cannon Cancer Center 250 25<sup>th</sup> Ave. North

Sarah Cannon Research Institute 3522 West End Avenue

The Children's Hospital at TriStar Centennial Medical Center 222 Murphy Avenue

TriStar Centennial Emergency Room at Spring Hill 3001 Reserve Blvd. Spring Hill, TN37174

TriStar Hendersonville Medical Center 355 New Shackle Island Road Hendersonville, TN 37075 615-338-1102

> TriStar Portland Emergency Room 105 Redbud Drive Portland, TN 37148

TriStar Horizon Medical Center 111 Highway 70 East Dickson, TN 37055 615-441-2357

Natchez Imaging 101 Natchez Park Drive

Radiation Oncology @ SCCC 105 Natchez Park Drive

Tennessee Oncology@ SCCC 103 Natchez Park Drive

TriStar Parkridge Medical Center 2333 McCallie Avenue Chattanooga, TN 37404 423-493-1772

> TriStar Parkridge East Hospital 941 Spring Creek Road Chattanooga, TN 37412 423-855-3500

TriStar Parkridge West Medical Center 1000 Tn Highway 28 Jasper, TN 37247

TriStar Parkridge Valley Hospital 200 Morris Hill Road Chattanooga, TN 37421 423-499-1204

TriStar Skyline Medical Center 3441 Dickerson Pike Nashville, TN 37207 615-769-7114

TriStar Skyline Madison Campus 500 Hospital Drive Madison, TN 37115 615-860-6301

TriStar Southern Hills Medical Center 391 Wallace Road Nashville, TN 37211 615-781-4000

TriStar StoneCrest Medical Center 200 StoneCrest Blvd. Smyrna, TN 37167 615-768-2508 TriStar Summit Surgery Center 3901 Central Pike Suite 152 Hermitage, TN 37076 615-391-7200

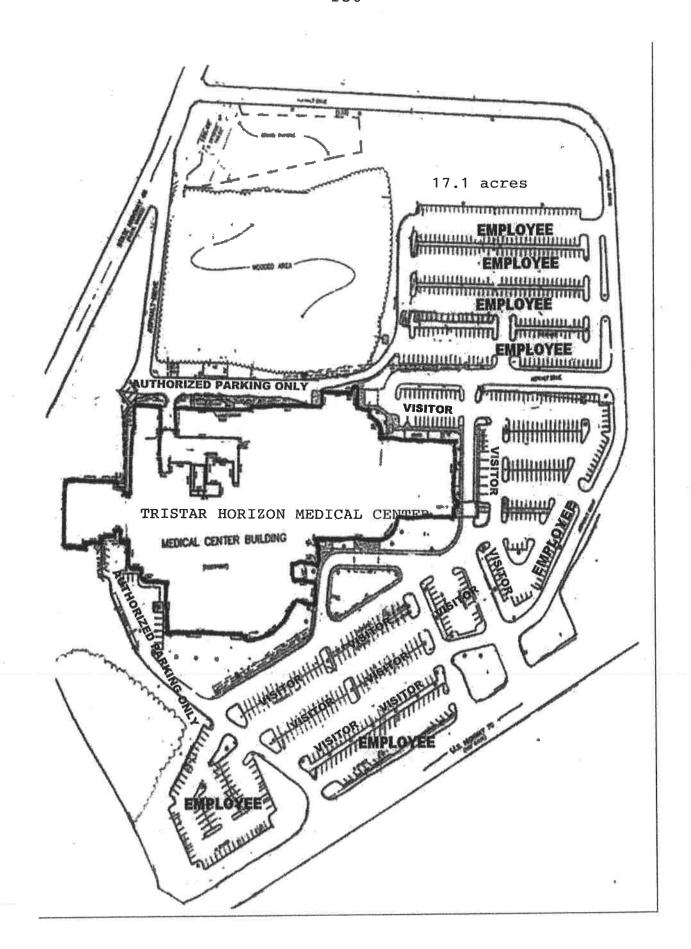
### OTHER FACILITIES

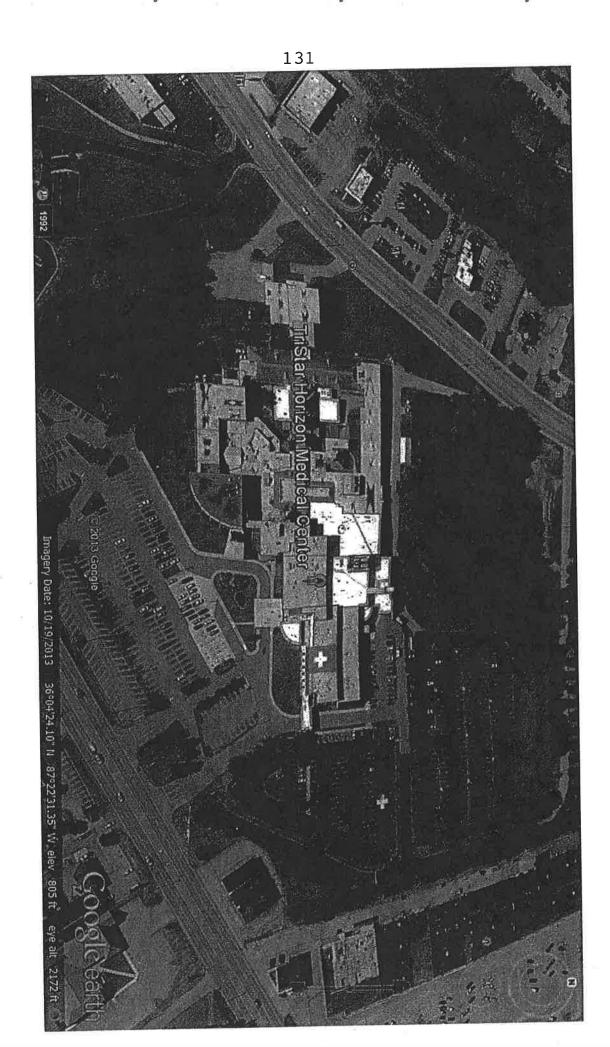
Centennial Surgery Center 345 23rd Avenue North, Suite 201 Nashville, TN 37203 615-327-1123

Premier Orthopedics Surgery Center 394 Harding Place Suite 100 Nashville, TN 37211 615-332-3600

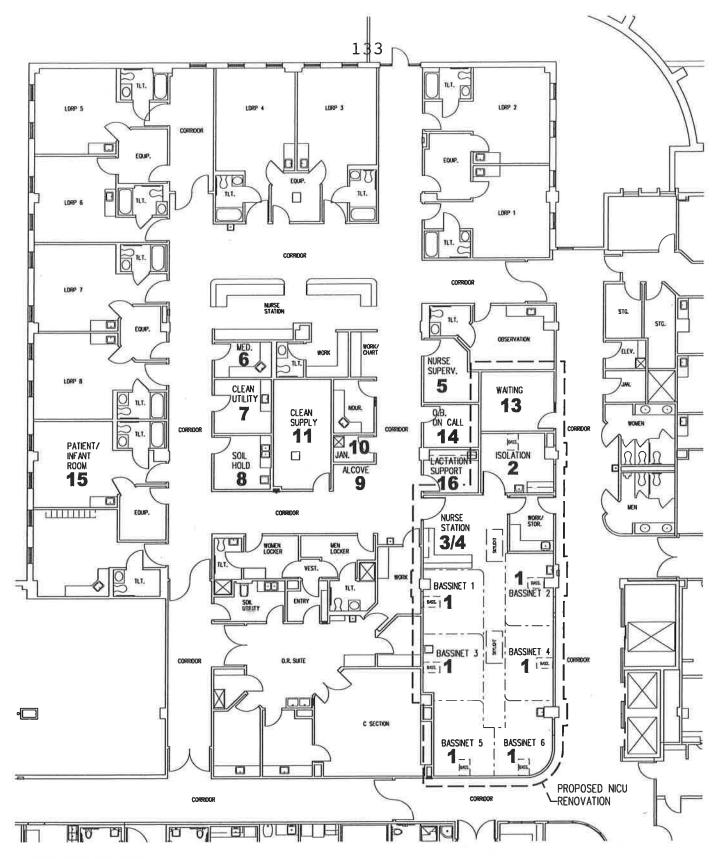
TriStar Summit Medical Center 5655 Frist Blvd. Hermitage, TN 37076 615-316-4902

Surgery Center of Chattanooga 400 North Holtzclaw Avenue Chattanooga, TN 37404 423-698-6871 **B.III.--Plot Plan** 





**B.IV.--Floor Plan** 



### **REQUIRED SPACES:**

- 1. INFANT CUBICLE
- 2. AIRBORNE INFECTION ISOL. RM.
- 3. NURSE STATION
- 4. CHART AREA
- **5. NURSE SUPV. OFFICE**
- 6. MED. STATION
- 7. CLEAN WORK
- 8. SOIL HOLD

- 9. EMERGENCY EQUIP. STG.
- 10. ENVIRONMENTAL SERVICE RM.
- 11. EQUIPMENT STORAGE
- 12. STAFF LOCKER/TLT
- **13. VISITOR WAITING**
- 14. PHYSICIAN SLEEP
- 15. PATIENT/INFANT ROOM
  16. LACTATION SUPPORT

### Nursery Intensive Care Unit

### TriStar Horizon

### **MEDICAL CENTER**

Dickson, Tennessee

C, Need--1.A

Documentation of Project-Specific Criteria

<b>FACILITY TRANSF</b>	R AGREEMENT	(Revised 04-2011)
------------------------	-------------	-------------------

This Transfer Agreement (the "Agreement") is made as of this _	1st day of	June	, 2011 , by and between:
HCA Health Services of Tennessee, Inc.			doing business as
Centennial Medical Center			and
Horizon Medical Center	- *** ** 10		at as "Bassising Equility" if secapiting

each individually referred to herein as "facility," or "Transferring Facility" if transferring a patient, or "Receiving Facility" if receiving a patient, pursuant to the terms and provisions of this Agreement, and collectively as "facilities."

### WITNESSETH:

WHEREAS, the parties hereto desire to enter into this Agreement governing the transfer of patients between the two facilities; and,

WHEREAS, the parties hereto desire to enter into this Agreement in order to specify the rights and duties of each of the parties and to specify the procedure for ensuring the timely transfer of patients between the facilities;

NOW, THEREFORE, to facilitate the continuity of care and the timely transfer of patients and records between the facilities, the parties hereto agree as follows:

- as requiring the services of the other facility (the "Receiving Facility") and the transfer is deemed medically appropriate, a member of the nursing staff of the Transferring Facility or the patient's attending physician will contact the admitting office or Emergency Department of the Receiving Facility to arrange for appropriate treatment as contemplated herein. All transfers between the facilities shall be made in accordance with applicable federal and state laws and regulations, the standards of the Joint Commission and any other applicable accrediting bodies, and reasonable policies and procedures of the facilities. Neither the decision to transfer a patient nor the decision to not accept a request to transfer a patient shall be predicated upon arbitrary, capricious, or unreasonable discrimination or based upon the patient's inability to pay for services rendered by either facility. The Receiving Facility's responsibility for the patient's care shall begin when the patient is admitted to the Receiving Facility.
- 2. Responsibilities of the Transferring Facility. The Transferring Facility shall be responsible for performing or ensuring performance of the following:
  - (A) Provide, within its capabilities, for the medical screening and stabilizing treatment of the patient prior to transfer,
  - (B) Arrange for appropriate and safe transportation and care of the patient during transfer, in accordance with applicable federal and state laws and regulations;
  - (C) Designate a person who has authority to represent the Transferring Facility and coordinate the transfer of the patient from the facility;
  - (D) Notify the Receiving Facility's designated representative prior to transfer to receive confirmation as to availability of appropriate facilities, services, and staff necessary to provide care to the patient;
  - (E) Prior to patient transfer, the transferring physician shall contact and secure a receiving physician at the Receiving Facility who shall attend to the medical needs of the patient and who will accept responsibility for the patient's medical treatment and hospital care;
  - (F) Provide, within its capabilities, appropriate personnel, equipment, and services to assist the transferring physician with the coordination and transfer of the patient;
  - (G) Provide, within its capabilities, personnel, equipment, and life support measures determined appropriate for the transfer of the patient by the transferring physician;
  - (H) Forward to the receiving physician and the Receiving Facility a copy of those portions of the patient's medical record that are available and relevant to the transfer and continued care of the patient, including records related to the patient's condition, observations of signs or symptoms, preliminary diagnosis, treatment provided, results of any tests, and with respect to a patient with an emergency medical condition that has not been stabilized, a copy of the patient's informed

consent to the transfer or physician certification that the medical benefits of the transfer outweigh the risk of transfer. If all necessary and relevant medical records are not available at the time the patient is transferred, then the records will be forwarded by the Transferring Facility as soon as possible;

- (I) Transfer the patient's personal effects, including, but not limited to, money and valuables, and information related to those items;
- (J) Notify the Receiving Facility of the estimated time of arrival of the patient;
- (K) Provide for the completion of a certification statement, summarizing the risk and benefits of the transfer of a patient with an emergency condition that has not been stabilized, by the transferring physician or other qualified personnel if the physician is not physically present at the facility at the time of transfer.
- (L) Acknowledge any contractual obligations and comply with any statutory or regulatory obligations that might exist between a patient and a designated provider;
- (M) Recognize the right of a patient to request to transfer into the care of a physician and facility of the patient's choosing;
- (N) Recognize the right of a patient to refuse consent to treatment or transfer;
- (O) Complete, execute, and forward a memorandum of transfer form to the Receiving Facility for every patient who is transferred;
- (P) Establish a policy and/or protocols (i) for maintaining the confidentiality of the patient's medical records in accordance with applicable state and federal law, and (ii) for the inventory and safekeeping of any patient valuables sent with the patient to the Receiving Facility; and,
- (Q) Recognize and comply with the requirements of any state law and regulations or local ordinances that apply to the care and transfer of patients.
- 3. Responsibilities of the Receiving Facility. The Receiving Facility shall be responsible for performing or ensuring performance of the following:
  - (A) Provide, as promptly as possible, confirmation to the Transferring Facility regarding the availability of bed(s), appropriate facilities, services, and staff necessary to treat the patient and confirmation that the Receiving Facility has agreed to accept transfer of the patient. The Receiving Facility shall respond to the Transferring Facility within sixty (60) minutes after receipt of the request to transfer a patient with an emergency medical condition or in active labor;
  - (B) Provide, within its capabilities, appropriate personnel, equipment, and services to assist the receiving physician with the receipt and treatment of the patient transferred and maintain a call roster of physicians at the Receiving Facility;
  - (C) Reserve beds, facilities, and services as appropriate for patients being transferred from the Transferring Facility who have been accepted by the Receiving Facility and a receiving physician, if deemed necessary by a transferring physician unless such are needed by the Receiving Facility for an emergency;
  - (D) Designate a person who has authority to represent and coordinate the transfer and receipt of patients into the facility;
  - (E) When appropriate and within its capabilities, assist with the transportation of the patient as determined appropriate by the transferring or receiving physician;
  - (F) Provide the Transferring Facility with a copy of the patient's clinical or medical records, including any record generated in the emergency department;
  - (G) Maintain the confidentiality of the patient's clinical or medical records in accordance with applicable state and federal law;
  - (H) Establish a policy and/or protocols (i) for maintaining the confidentiality of the patient's clinical or medical records in accordance with applicable state and federal law, (ii) for the receipt of the patient into the facility, and (iii) for the acknowledgment and inventory of any patient valuables transported with the patient;

- (I) Provide for the return transfer of patients to the Transferring Facility when requested by the patient or the Transferring Facility and ordered by the patient's attending/transferring physician, if the Transferring Facility has a statutory or regulatory obligation to provide health care assistance to the patient, and if transferred back to the Transferring Facility, provide the items and services specified in Section 2 of this Agreement;
- Provide the Transferring Facility any information available about the patient's coverage or eligibility under a third party coverage plan, Medicare or Medicaid, or a healthcare assistance program established by a county, public hospital, or hospital district;
- (K) Upon request, provide current information concerning its eligibility standards and payment practices to the Transferring Facility and patient;
- (L) Acknowledge any contractual obligations and comply with any statutory or regulatory obligations that might exist between a patient and a designated provider;
- (M) Complete, execute, and return the memorandum of transfer form to the Transferring Facility; and,
- (N) Recognize and comply with the requirements of any state law and regulations or local ordinances that apply to the care and transfer of patients.
- 4. Billing. All claims or charges incurred with respect to any services performed by either facility for patients received from the other facility pursuant to this Agreement shall be billed and collected by the facility providing such services directly from the patient, third party payer, Medicare or Medicaid, or other sources appropriately billed by that facility, unless applicable law and regulations require that one facility bill the other facility for such services. In those cases in which the regulations apply, the facilities shall bill in accordance to the regulations that apply to skilled nursing facility prospective payment system ("SNF PPS") and consolidated billing. In those cases in which payment rates are consistent with SNF PPS regulations and have been negotiated, such payment shall be made at 80 % of charges or in accordance with the payment fee schedule, labeled as Exhibit —, attached hereto and incorporated herein by this reference. In addition, it is understood that professional fees will be billed by those physicians or other professional providers who actually participate in the care and treatment of the patient and who are entitled to bill for their professional services at usual and customary rates. Each facility agrees to provide information in its possession to the other facility and such physicians or professional providers sufficient to enable them to bill the patient, responsible party, or appropriate third party payer.
- 5. Transfer Back; Discharge; Policies. At such time as the patient is ready for transfer back to the Transferring Facility or another health care facility or discharge from the Receiving Facility, in accordance with the direction from the Transferring Facility and with the proper notification of the patient's family or guardian, the patient will be transferred to the agreed upon location. If the patient is to be transferred back to the Transferring Facility, the Receiving Facility will be responsible for the care of the patient up until the time the patient is re-admitted to the Transferring Facility. Such transfers shall be conducted in accordance with HCA Healthcare Corporation Ethics and Compliance Policies and Procedures (e.g., Discharge Planning and Referrals of Patients to Post Discharge Providers Policy, LL. HH.016 and EMTALA Transfer Policy, EM.003).
- 6. Compliance with Law. Both facilities shall comply with all applicable federal and state laws, rules and regulations, including, without limitation, those laws and regulations governing the maintenance of clinical or medical records and confidentiality of patient information as well as with all standards promulgated by any relevant accrediting agency.
- 7. <u>Indemnification: Insurance</u>. The facilities shall each be responsible for their own acts and omissions in the performance of their duties hereunder, and the acts and omissions of their own employees and agents, and shall indemnify and hold harmless the other party from and against any and all claims, liabilities, causes of action, losses, costs, damages and expenses (including reasonable attorney's fees) incurred by the other party as a result of such acts and omissions. In addition, each party shall maintain, throughout the term of this Agreement, comprehensive general and professional liability insurance and property damage insurance coverage in amounts reasonably acceptable to the other party, and shall provide evidence of such coverage upon request.
- 8. Term: Termination. The term of this Agreement shall be a minimum of one (1) year, commencing on the 1st day of May 2016, unless sooner terminated as provided herein. Either party may terminate this Agreement without cause upon thirty (30) days advance written notice to the other party. Either party may terminate this Agreement upon breach by the other party of any material provision of this Agreement, provided such breach continues for five (5) days after receipt by the breaching party of written notice of such breach from the non-breaching party. In addition, this Agreement may be terminated immediately upon the occurrence of any of the following events:
  - (A) Either facility closes or discontinues operation to such an extent that patient care cannot be carried out adequately, or

(B)	Either facility loses its license, or Medicare certification.
This Agreement	may be renewed for subsequent one (1) year terms upon the mutual written consent of the parties.
Resolution Servi and binding upon borne equally by	Arbitration. Any dispute or controversy arising under, out of or in connection with, or in relation to this Agreement, nt hereof, or the breach hereof shall be determined and settled by arbitration in Nashville, Tennessee, in accordance with the rules of the American Health Lawyers Association Alternative Dispute ces and applying the laws of the state specified in section 11 below. Any award rendered by the arbitrator shall be final neach of the parties, and judgment thereof may be entered in any court having jurisdiction thereof. The costs shall be both parties. During the pendency of any such arbitration and until final judgment thereon has been entered, this remain in full force and effect unless otherwise terminated provided hereunder.
10.	Entire Agreement; Modification. This Agreement contains the entire understanding of the parties with respect to r hereof and supersedes all prior agreements, oral or written, and all other communications between the parties relating natter. This Agreement may not be amended or modified except by mutual written agreement.
11.	Governing Law. This Agreement shall be construed in accordance with the laws of the State of in which the facility affiliated with HCA is located.
12. prohibition shall	<u>Partial Invalidity</u> . If any provision of this Agreement is prohibited by law or court decree of any jurisdiction, said not invalidate or affect the remaining provisions of this Agreement.
	Notices. All notices hereunder by either party to the other shall be in writing, delivered personally, by certified or eturn receipt requested, or by overnight courier, and shall be deemed to have been duly given when delivered personally in the United States mail, postage prepaid, addressed as follows:
If to:	Centennial Medical Center
	2300 Patterson Street
	Nashville, TN 37203
	Attention: Chief Executive Officer
Copy to	Nashville, Tennessee 37202-0550
	Attention: Kelly Duggan, Esq. , Operations Counsel
If to:	Horizon Medical Center
	111 Highway 70 East
	Dickson, TN 37055
	Attention: Chief Executive Officer
or to such other i	persons or places as either party may from time to time designate by written notice to the other.
	- · · · · · · · · · · · · · · · · · · ·

- 14. <u>Waiver</u>. A waiver by either party of a breach or failure to perform hereunder shall not constitute a waiver of any subsequent breach or failure.
- 15. Assignment: Binding Effect. Each facility shall not assign or transfer, in whole or in part, this Agreement or any of its rights, duties or obligations under this Agreement without the prior written consent of the other Facility, and any assignment or transfer by either Facility without such consent shall be null and void. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, representatives, successors and permitted assigns.
- Change in Law. Notwithstanding any other provision of this Agreement, if the governmental agencies (or their representatives) which administer Medicare, any other payer, or any other federal, state or local government or agency passes, issues or promulgates any law, rule, regulation, standard or interpretation, or if any court of competent jurisdiction renders any decision or issues any order, at any time while this Agreement is in effect, which prohibits, restricts, limits or in any way substantially changes the method or amount of reimbursement or payment for services rendered under this Agreement, or which otherwise significantly affects either party's rights or obligations hereunder, either party may give the other notice of intent to amend this Agreement to the satisfaction of both parties, to compensate for such prohibition, restriction, limitation or change. If this Agreement is not so amended in writing within thirty (30) days after said notice was given, this Agreement shall terminate as of midnight on the thirtieth (30th) day after said notice was given.

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### TENNESSEE EMERGENCY MEDICAL SERVICES FOR CHILDREN INTERFACILITY PEDIATRIC TRANSFER AGREEMENT BETWEEN VANDERBILT UNIVERSITY AND HORIZON MEDICAL CENTER

In consideration of the needs of the patients of the area served by both the institutions herein named, this Agreement is entered into by and between Vanderbilt University, a Tennessee not-for-profit corporation acting by and through its Vanderbilt Children's Hospital (hereinafter referred to as "VANDERBILT"), and Horizon Medical Center, Dickson, Tennessee, (hereinafter referred to as "FACILITY").

### WITNESSETH:

WHEREAS, VANDERBILT is a Comprehensive Regional Pediatric Center (CRPC) serving residents of the area served by VANDERBILT and FACILITY; and

WHEREAS, FACILITY may require the services of VANDERBILT for health care needs of critically ill and/or injured pediatric patients served by FACILITY;

NOW, THEREFORE, in consideration of the promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### 1. TERMS AND CONDITIONS:

- A. VANDERBILT will provide treatment and hospitalization, when possible, for critically ill and/or injured pediatric patients of FACILITY on an as-needed basis when requested by FACILITY.
- B. FACILITY will transfer pediatric patients only when the patients need specialized treatment, care or tests that are not available at FACILITY, but is available at VANDERBILT.
- C. A pediatric patient may only be transferred to VANDERBILT after a VANDERBILT attending physician accepts the patient's transfer after speaking with a FACILITY physician. If VANDERBILT's attending physician has approved and agreed to the transfer of the pediatric patient after concluding that all conditions of eligibility are met and subject to availability of appropriate personnel, space and facilities at VANDERBILT; VANDERBILT agrees to facilitate prompt admission of the pediatric patient. The parties hereto agree to conduct any patient transfers in compliance with state and federal law, including 42 U.S.C. 1395dd et seq. and any amendments thereto ("EMTALA regulations"), and such other requirements as may be imposed by the Secretary of Health and Human Services and state law.
- D. FACILITY shall provide or arrange transportation for a pediatric patient for the purpose of his or her transfer from one institution to the other under this Agreement.
- E. FACILITY has the responsibility for obtaining consent for transfer from the parents or legal guardian.

- F. The appropriate method of transportation is dependent upon pediatric patient's condition and such transportation (ground, fixed wing or rotary wing) will be determined after consultation between the transferring and receiving physicians.
- G. If the admitting physician or transferring physician should deem it medically necessary for the pediatric patient to be accompanied by personnel and/or equipment during the transfer, FACILITY shall provide or arrange for the appropriate personnel and/or equipment for the transfer.
- H. VANDERBILT and the FACILITY agree to send with each pediatric patient, at the time of transfer or, in case of emergency, as promptly as possible after the transfer, pertinent medical and other information necessary to continue the pediatric patient's treatment without interruption, together with essential identifying and administrative information.
- I. VANDERBILT shall assume responsibility for patient care at the time it takes physical custody of the pediatric patient, and shall remain responsible for patient care only during the time that VANDERBILT has such physical custody of the pediatric patient.

### II. BILLING AND PAYMENT

- A. It is agreed that the services rendered by VANDERBILT or the VANDERBILT physicians shall be charged to the patient, the patient's Managed Care Organization ("MCO"), or other third party payor. FACILITY shall not be held responsible for payment of services rendered to a patient by VANDERBILT or the VANDERBILT physicians and VANDERBILT and the VANDERBILT physicians shall not be held responsible for payment of services rendered to a patient by FACILITY.
- B. After the pediatric patient is accepted by VANDERBILT, FACILITY will provide VANDERBILT with all financial information necessary to enable VANDERBILT to bill patient, MCO, or other third party payor, prior to patient's transfer from FACILITY TO VANDERBILT.
- C. After the pediatric patient is accepted by VANDERBILT, FACILITY will assist VANDERBILT in obtaining any necessary authorizations or pre-certifications from the pediatric patient's MCO or other third party payor.

### III. TERM AND TERMINATION

- A. This Agreement shall be effective from July 25, 2000 and continue until amended, modified, or terminated. This Agreement shall be reviewed on a periodic basis and at that time, both parties will evaluate the program and policies, discuss any related problems, and make necessary revisions. Neither party shall be bound by this Agreement until it is signed by the appropriate officials as indicated on the signature page of this Agreement.
- B. Notwithstanding any other terms and conditions hereunder, this Agreement may be terminated without cause by either party by written notification to the other party at least sixty (60) days prior to the desired effective date of termination.
- C. In the event that either party shall become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or its assets or shall avail itself of, or become subject to, any proceedings under the Federal Bankruptcy Act or any

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other statute of any state relating to insolvency or the protection of rights of creditors, then, at the option of either party, this Agreement may be terminated immediately by either party and be of no further force and effect.

- D. In the event that either party sells all or substantially all of its assets, there is a sale of a majority ownership of either party, or there occurs a material change in the management or ownership of either party, this Agreement may be terminated by either party and be of no further force and effect.
- E. The parties warrant they are duly licensed under the laws of its state and agree to abide by applicable state and/or federal laws and regulations governing the licensure and operation of its facility. The parties further agree to give prompt notice in writing to the other party in the event of institution of proceedings for suspension or revocation of its license, and to notify the other party in the event of any suspension or revocation of its license within twenty-four (24) hours of its occurrence. This Agreement will immediately terminate upon the revocation or suspension of licensure of either party. Further, either party, at their sole discretion, may terminate this Agreement in the event the other party is given notice of the institution of proceedings to suspend or revoke its licensure.

### IV. INDEMNIFICATION

Each party shall indemnify and hold harmless the other party, its trustees, officers, agents and employees, from any judgments, damages, costs and expenses, including reasonable attorney's fees, from any claim, action or proceeding to the extent arising out of its own negligent acts or omissions in the performance of this Agreement. Indemnitor's obligations as set forth in the preceding sentence are conditioned upon (i) Indemnitee promptly notifying Indemnitor of any claim, demand or action, or any incident of which Indemnitee has actual or constructive knowledge, which may reasonably result in a claim, demand or action, and for which Indemnitee will look to Indemnitor for indemnification under this Section, (ii) Indemnitee, its directors, officers, agents, and employees, cooperating fully with Indemnitor in Indemnitor's investigation and review of any such claim, action or incident, and (iii) Indemnitee not entering into any admissions, agreements or settlements which may affect the rights of Indemnitee or Indemnitor without the prior written consent and approval of Indemnitor. Indemnitor reserves the right, in its sole discretion, to assume the defense of Indemnitee in any such claim, action or proceeding.

### V. INSURANCE

- A. Each party shall procure and maintain for the term of this Agreement comprehensive general liability insurance, including broad form contractual, in a minimum amount of \$1,000,000/\$3,000,000. Such coverage shall act as primary insurance and no coverage of the other party shall be called upon to contribute to a loss.
- B. Each party shall procure and maintain for the term of this Agreement professional liability insurance, in a minimum amount of \$1,000,000/\$3,000,000 in coverage for all of its personnel who may participate in this Agreement. Such coverage shall be for a minimum of five (5) years following expiration or termination of this Agreement and shall provide for a retroactive date no later than the inception date of this Agreement.
- C. Each party shall procure and maintain during the term of this Agreement, workers' compensation and employer liability insurance or a self-insurance program covering all of its employees who are engaged in any work under this Agreement.

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- The parties shall provide each other with Certificates of Insurance evidencing the above D. coverage.
- It is agreed that Vanderbilt may chose to provide the coverage stated above through a Program E. of self-insurance.

### VI. CONFIDENTIALITY

The parties agree to keep confidential from third parties all information which relates to or identifies a particular patient, including but not limited to the name, address, medical treatment or condition, financial status, or any other personal information which is deemed to be confidential in accordance with applicable state and federal law and standards of professional ethics and will so notify its employees, contractors, subcontractors, agents, and representatives of such agreement.

### NOTIFICATION OF CLAIMS VIL.

The parties agree to notify each other as soon as possible in writing of any incident, occurrence, or claim arising out of or in connection with this Agreement which could result in a liability or claim of liability to the other party. Further, the notified party shall have the right to investigate said incident or occurrence and the notifying party will cooperate fully in this investigation.

### VIII. **NOTICES**

All notices or other communication provided for in this Agreement shall be given to the parties addressed as follows:

> FACILITY: Smith, M.D. CHIEF EXECUTIVE Horizon Medical Center

111 Hwy. 70 East Dickson, TN 37055

Terrell Smith VANDERBILT:

K Hail Enfland Administrative Director, Vanderbilt Children's Hospital

1211 22 Avenue South

6111 V/UH

Nashville, TN 37232-7000

Contracts Administration with a copy to:

> Medical Center Office Vanderbilt University 605 Oxford House 1313 21st Avenue South Nashville, TN 37232-4205

### IX. **MEDIA**

The parties agree they will not use each other party's name or programs in any advertising, promotional material, press release, publication, public announcement, or through other media, written or oral, whether to the press, to holders of publicly owned stock without the prior written consent of the party whose name is to be used.

### X. MEDICAL RECORDS

All medical records and case histories of patients treated by VANDERBILT shall be kept at VANDERBILT, and shall be the property of VANDERBILT. FACILITY will be provided access to such medical records only with prior written consent of the patient and subject to VANDERBILT policies.

### XI. DISCRIMINATION

In compliance with federal law, including the provisions of Title IX of the Education Amendments of 1972, Sections 503 and 504 of the Rehabilitation Act of 1973, the Age Discrimination in Employment Act of 1967 and the Americans with Disabilities Act of 1990, each party hereto will not discriminate on the basis of race, sex, religion, color, national or ethnic origin, age, disability, or military service in its administration of its policies, including admissions policies, employment, programs or activities.

### XII. ASSIGNMENT AND BINDING EFFECT

Neither party shall assign, subcontract, or transfer any of its rights or obligations under this Agreement to a third party without the prior written consent of the other party. If an assignment, subcontract, or transfer of rights does occur in accordance with this Agreement, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors or assigns.

### XIII. INDEPENDENT CONTRACTOR

Each party shall be considered to be an independent party and shall not be construed to be an agent or representative of the other party, and therefore, has no liability for the acts or omissions of the other party. In addition, neither party, nor any of its employees, agents, or subcontractors, shall be deemed to be employees or agents of the other party. Therefore, neither party nor any of its employees, agents or subcontractors, shall be entitled to compensation, workers compensation, or employee benefits of the other party by virtue of this Agreement.

### XIV. COUNTERPART SIGNATURE

This Agreement may be executed in one or more counterparts (facsimile transmission or otherwise), each counterpart shall be deemed an original and all of which shall constitute but one Agreement.

### XV. WRITTEN AMENDMENT/WAIVERS

This Agreement cannot be amended, modified, supplemented or rescinded except in writing signed by the parties hereto. No waiver of any provision of this Agreement shall be valid unless such waiver is in writing signed by the parties hereto.

### XVI. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed in all respects by, and be construed in accordance with, the laws of the State of Tennessee. Each party hereby consents to the jurisdiction of all state and federal courts sitting in Davidson County, Tennessee, agrees that venue for any such action shall lie exclusively in such courts, and agrees that such courts shall be the exclusive forum for any legal actions brought in connection with this Agreement or the relationships among the parties hereto.

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### XVII. ACCESS TO BOOKS AND RECORDS

Until the expiration of four years after the furnishing of services pursuant to this Agreement, the parties shall upon written request, make available to the Secretary of Health and Human Services or the Comptroller General or their duly authorized representative the contract, books, documents, and records necessary to verify the nature and extent of the cost of such services. If either party carries out any of its obligations under this Agreement by means of a subcontract with a value of \$10,000 or more, that party agrees to include this requirement in any such subcontract.

### XVIII. CONSTRUCTION OF AGREEMENT

The headings used in this Agreement have been prepared for the convenience of reference only and shall not control, affect the meaning, or be taken as an interpretation of any provisions of this Agreement. This Agreement has been prepared on the basis of mutual understanding of the parties and shall not be construed against either party by reason of such party's being the drafter hereof.

### XIX. NON-EXCLUSIVITY

Each party shall have the right to enter into similar agreements with other parties.

### XX. COMPLIANCE WITH PATIENT TRANSFER REQUIREMENTS

All parties hereto agree that any patient transfers shall be in compliance with Federal Regulations, 42 U.S.C. 1395dd et seq. ("EMTALA") and any amendments thereto, and such other requirements as may be imposed by the Secretary of Health and Human Services, and any other applicable State patient transfer laws.

### XXI. PATIENT REFERRALS

The parties agree that the benefits to either party hereunder do not require, are not payment for, and are not in any way contingent upon the admission, referral, or other arrangement for the provision of any item or service reimbursed under Medicare or Medicaid/TennCare.

### XXII. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter herein and supersedes any other agreements, restrictions, representations, or warranties, if any, between the parties hereto with regard to the subject matter herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives on the last signature date specified below.

#### FOR VANDERBILT UNIVERSITY

Recommended by:	
Maily Subu	8-2-00
Marilyn A. Dubree, RN, MSN	Date
Director - Patient Care Services	
Chief Nursing Officer	
Vanderbilt University Hospital	
Cmm	8/4/01
Corey Slovis, M.D.	Date
Chairman, Department of Emergency Medicine	
Vanderbilt University Hospital	
asself Amork	7/27/00
Terfell Smith, M.S.N, R.N.	Daté /
Administrative Director - Children's Hospital	
Approved by:	8/7/00 Date
Norman B. Urmy	Date /
Executive Vice President	
for Clinical Affairs	
TOP WODIGON MEDICAL CENT	FED
FOR HORIZON MEDICAL CENT	
Ob State CEO	8/11/00
	Date
	Date

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Letters of Intent & Qualifications
Facility Protocols and Procedures

#### CURRICULUM VITAE

Muhammad Sami Ismail, M.D. 101 Wyn Oak Circle Nashville, TN 37205 615-386-3685

Born:

March 22, 1954

Antioche, Turkey

Citizenship:

U.S.A.

Visa Type:

Permanent Resident

Social Security:

221-64-2442

**Marital Status:** 

Married, wife Hanan

Three daughters

Office:

Pediatrix Medical Group of TN

2201 Murphy Ave. #207 Nashville, TN 37203 Office# (615) 342-4660 Fax# (615) 342-4662

1'ax# (013) 342-

#### **LICENSURE**

ECFMG - #284-659-0

Virginia State Board of Medicine, #0101-036388, 2/84

Delaware Board of Medicine, #C1002509, 9/84

Tennessee Board of Medicine, #MD19241, 10/88

Board Certified, American Board of Pediatrics #35796, 1987

Board Certified, Neonatal/Perinatal Medicine #1758, 1987

Maintanance of Certification (MOC) of the American Board of Pediatrics - 2009

#### **EDUCATION**

Faculty of Medicine of Aleppo University, Syria 1971-1977, M.D. Degree

#### MILITARY SERVICE RECORD

None

7/20/12

Curriculum Vitae – M. Sami Ismail, M.D. Page 2

#### **POST-DOCTORAL TRAINING**

Red Cross Children's Hospital, Pediatric Training (Aleppo, Syria) 1977-1979

Middlesborough Memorial Hospital Internal Medicine (visiting observer) Middlesborough, England 1979-1980

Darlington Memorial Hospital, Darlington, England 1980 (Passed PLAB exam for foreign graduates in England)

Practice in Critical Care Unit at Los Cedros Hospital, Buenos Aires, Argentina 1980-1981

Los Cedros Hospital, Buenos Aires, Argentina (clinical rotation critical care unit) 1980-1981

Wilmington Medical Center, Wilmington, DE (observer Pediatrics) 1981-1982 (passed VQE)

Wilmington Medical Center, Wilmington, DE Pediatric Residency 1982-1985

Medical College of Virginia, Richmond, VA Neonatology Fellow, 1985-1987

Henrico Doctors Hospital, Richmond, VA Clinical Neonatologist 1987-1989

Centennial The Women's Hospital, Nashville, TN Director of Neonatology 1989 – present Summit Medical Center, Hermitage, TN 1989 – present Southern Hills Medical Center, Nashville, TN 1989-2008 Hendersonville Medical Center, Hendersonville, TN 1992 – present Nashville Memorial (Skyline Hospital), Nashville, TN 1992 – 2004 Metro General Hospital, Nashville, TN 1995 – present Williamson Medical Center, Franklin, TN 2004 – present Horizon Medical Center, Dickson, TN 2005 – present StoneCrest Medical Center, Smyrna, TN 2006 – present Middle TN Medical Center, Murfreesboro, TN 2007 – present

#### ACADEMIC APPOINTMENTS

Instructor of Pediatrics, Children's Medical Center, Medical College of Virginia, Richmond, VA July 1986 – June 1987

#### POSITIONS HELD

Director of Newborn Intensive Care Unit at Centennial The Women's Hospital

Director of Newborn Intensive Care Unit Transport Services Curriculum Vitae – M. Sami Ismail, M.D. Page 3

Director of Neonatal Nurse Practitioner Program President of Mid-TN Neonatology Associates Medical Director of Pediatrix Medical Group of TN Board of Trustee for Centennial Medical Center

#### **MEMBERSHIPS**

American Medical Association
American Academy of Pediatrics
Tennessee Pediatric Society
Davidson County Pediatric Association
Arab American Medical Association
Nashville Academy of Medicine
Medical Director of Pediatric Nursing Specialist
National Perinatal Association
Centennial Board of Director
Tennessee Perinatal Association
District 4 Perinatal Section

#### RESEARCH

Significance and Application of the Ancient Medicine of Arabs, 1974

Group B Strep Infection in Newborns (Early Diagnosis) Study, Medical Center of Delaware

CPT and Incidence of IVH/PVH in Neonates

Incidence of Biliary Slugs/Gallstones in Newborns Receiving HAL, Accepted for Presentation in Poster Session at the April 1987 SPR Conference in Anaheim, CA

#### **BIBLIOGRAPHY**

Ismail, MS; Immunodeficiency Disease in Children, published by Aleppo University, 1977

Arectingy, R, Ismail, MS; Significance and Application of the Ancient Arab Medicine, published by the VI International Symposium of the Ancient Medicine of Arabs, sponsored by Aleppo University, 1974

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From: appsmail@abpeds.org
To: neomormna@aol.com

Subject: American Board of Pediatrics - MOC Enrollment License Verified

Date: Mon, Dec 28, 2009 1:05 pm

Dr. Muhammad Sami Ismail: ABP ID# 204946

You have successfully completed the enrollment application process for Maintenance of Certification (MOC) of the American Board of Pediatrics (ABP).

Please take note of the following information regarding your next MOC Cycle dates. These dates represent the start and end of your MOC cycle. You may complete activities for credit only during this time. Your specific MOC requirements can be found with your ABP Portfolio.

MOC Cycle Dates

January 1, 2010 through December 31, 2014

This e-mail is generated automatically, and replies sent to this address cannot be answered. If you have any questions regarding your enrollment status, please feel free to visit the ABP Web site (www.abp.org ) or e-mail us at <a href="mailto:moc@abpeds.org">moc@abpeds.org</a>.

# Upe American Mourd of Pediatrics and ifs

Subboard of Neunatal-Aerinatal Medicine

Muhammad Sami Jamail, Al. A.

has completed the maintenance of certification program tulia is certified in Neanatal-Perinatal Medicine the American Mound of Pediatrics as a Diplomate of

No. 01758

October 7, 2009

M. Bringlus (Jinus)

Alpir, American Board of Pediatrics

Ferrelary, Angerican Maurd of Pediatrics

President, American Mourd of Pediatries

Alpair, Subboard

hereby certifies that

Muchammad Sami Ismail, M.D

has successfully fulfilled the requirements of this Board and is declared a

Diplomate of The American Board of Pediatrics

Mo. 35796

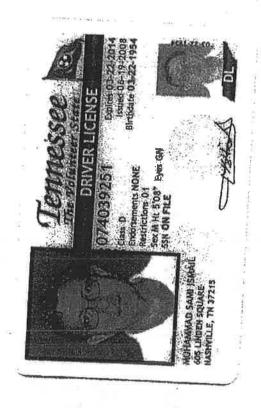
STATE OF TENNESSEE

June 21, 1987





My Commission Expires Sept. 25, 2010



# FOREIGN MEDICAL GRADUATES EDUCATIONAL COMMISSION for

**CERTIFIES THAT** 

# MUHAMIMAD SAMI ISMAIL

HAS SATISFIED ALL THE REQUIREMENTS OF THE COMMISSION,

SUCCESSFULLY PASSED IT'S EXAMINATIONS

AND HAS BEEN AWARDED THIS CERTIFICATE.

CERTIFICATE NUMBER 284-659-0
MEDICAL EXAMINATION JANUARY 17, 1981

VALID THROUGH JANUARY, 1983



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DATE ISSUED

#### MICHAEL D. HAWKINS

Home- 423 Wild Elm Street Franklin, TN 37064 (615)472-8211 Hawkins65@comcast.net Office- 111 Highway 70 East Dickson, TN 37055 (615)446-4400/fax (615)446-4234

#### **EMPLOYMENT**

Women's Health Center of Dickson, PLLC(sole proprietor)

Dickson, Tennessee

From January 2001 to present

Horizon Medical Group(multispecialty)

Dickson, Tennessee

From June 1996 to December 2000

Columbia Physician Services Nashville Memorial Hospital

Madison, Tennessee

From July 1995 to June 1996

#### **EDUCATION**

Residency, Obstetrics and Gynecology Vanderbilt University Medical Center

Nashville, Tennessee

From July 1991 to June 1995

Resident Research Forum, Senior Resident Winner 1995

M.D., Emory University School of Medicine

Atlanta, Georgia

From August 1987 to May 1991

Student Intern, Clinical Research Center

**Emory University Hospital** 

From June 1988 to May 1989

B.A., Vanderbilt University

From August 1984 to May 1987

Major-Mathematics

-Magna Cum Laude

-Phi Beta Kappa

-Phi Eta Sigma, Alpha Lambda Delta(freshman honoraries)

-Dean's Select Scholarship(three years)

**PUBLICATIONS** 

Bonkovsky HL, Hawkins MD, Steinberg KK, et al. Prevalence and prediction of osteopenia in chronic liver disease. Hepatology 1990; 12:273.

Steinberg KK, Bonkovsky HL, Hawkins, MD. Osteocalcin and bone alkaline phosphatase in chronic liver disease. Clinical Chemistry 1990;36:990.

Steinberg KK, Hawkins MD, Bonkovsky HL. Decreased hepatic clearance of glycoproteins:a cause of increased alkaline phosphatase in cirrhosis(abstract). Hepatology 1989;10:680.

McQuaide BH, Hawkins MD, Banna MS. Shake-up in the core ionization of atomic zinc and cadmium. Chemical Physics Letters 1987;141:306.

McQuaide BH, Hawkins MD, Banna MS. Atomic cesium 3d core photoelectron spectrum. Physical Review A 1987;36:4498.

PRESENTATIONS Bonkovsky HL, Hawkins MD, Steinberg KK, et al. Prevalence and prediction of osteopenia in chronic liver disease. 40th Annual Meeting of the American Association for the Study of Liver Diseases, October 28-31, 1989. Chicago, Illinois.

> McQuaide BH, Hawkins MD, Jenkins DE, et al. Argon 1s and shake-up photoelectron spectrum obtained with 3600 eV photons. 15th Annual NSLS Users Meeting, June 17-18, 1987. Long Island, New York.

ORGANIZATIONS American College of Obstetrics and Gynecology, Fellow Lonnie S. Burnett Society(Vanderbilt OB/GYN organization)

**PRIVILEGES** 

Horizon Medical Center-Active Staff, Chief Maternal/Child Division

-Chairman, Peer Review Committee

-Chief of Surgery Dept

-Vice Chief of Staff

CERTIFICATION American Board of Obstetrics and Gynecology- active through December 31, 2016

**LICENSURE** 

Tennessee MD 26802-expires November 30, 2015

#### Erin Steidl, DO, FACOG 2722 Edinboro Drive Arlington, TX 76012

682,554,9457

steidl@swbell.net

Objective

Caring, versatile physician seeking a position serving patients in a private practice or laborist setting

**Oualifications** 

Solid obstetrical and surgical skill set, including operative delivery, cesarean delivery, laparoscopy, vaginal and abdominal surgery

Outstanding communication skills, able to establish rapport quickly with patients and staff

Superior clinical judgment and decision making skills

Reassuring bedside manner

Some Spanish

Education and Employment

Arlington Obstetrics and Gynecology, Partner 2008-Current

Arlington, TX

Methodist Hospital of Dallas Obstetrics and Gynecology Residency Program Intern, Resident, Chief Resident 2004-2008

Dallas, TX

Doctor of Osteopathy, Texas College of Osteopathic Medicine 2000-2004

Fort Worth, TX

Research Assistant, Vanderbilt University School of Medicine Department of Molecular Physiology and Biophysics 1999-2000

Nashville, TN

Bachelor of Science in Biology, Lipscomb University 1995-1999

Nashville, TN

Licensure, Certifications and Memberships

Fully licensed in the state of Texas

Fellow of the American College of Obstetricians and Gynecologists

Advanced Life Support in Obstetrics

Advanced Cardiovascular Life Support/Basic Life Support

Childbirth Injury, The Law and Perinatal Safety Course

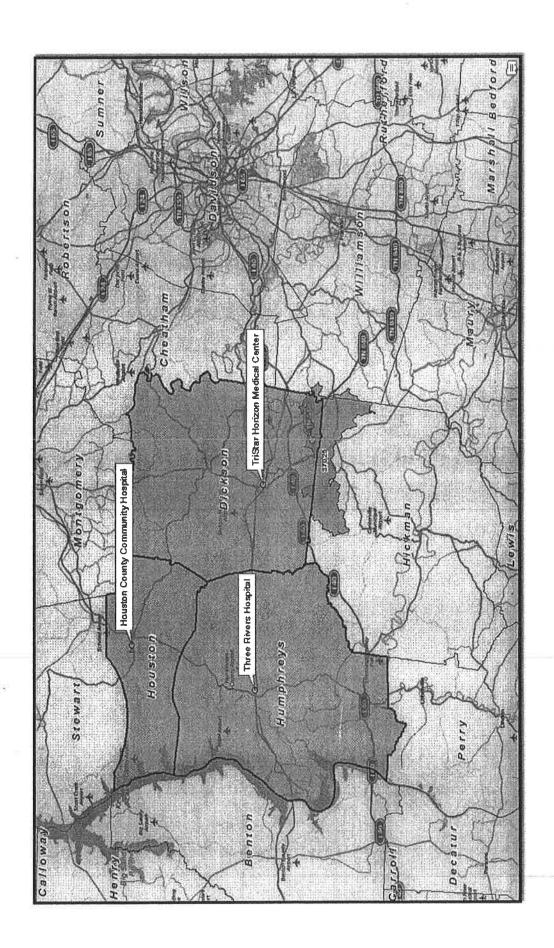
Served on the Electronic Medical Record and Service Excellence Committees for

the Medical Clinics of North Texas

Member of ACOG, AMA, TMA (Texas Medical Association), and TOMA (Texas Osteopathic Medical Association)

References Available Upon Request

C, Need--3 Service Area Maps



TRISTAR HORIZON MEDICAL CENTER NICU

Printable Maps From:

terproof Paper.com

### C, Economic Feasibility--1 Documentation of Construction Cost Estimate

#### C. ROSS ARCHITECTURE L.L.C.

October 13, 2015

Subject:

Verification of Construction Cost Estimate

TriStar Horizon Medical Center

Nursery Intensive Care Unit Expansion

Dickson, Tennessee

To Whom It May Concern:

C. Ross Architect L.L.C., an architectural firm in Nashville, Tennessee, has reviewed the construction cost data for the above referenced project. The stated construction cost for this renovation is approximately \$375,000.00. (In providing opinions of probable construction cost, the Client understands that the Consultant has no control over the cost or availability of labor, equipment or materials, or over market conditions, or the Contractor's method of pricing, or the Code Reviewer's interpretation at a later date of the requirements for the project, and that the Consultant's opinion of probable construction costs are made on the basis of the Consultant's professional judgment and experience. The Consultant makes no warranty, expressed or implied, that the bids or the negotiated cost of the work will not vary from the Consultants opinion or probable construction cost.)

It is our opinion at this time the projected construction cost is reasonable for this type and size of project and compares appropriately with similar projects in this market. However, it should be noted that the construction costs re increasing rapidly due to economic factors beyond Contractor's controls.

The building codes applicable to this project will be:

#### State:

- 1. 2010 Guidelines for Design and Construction of Hospitals and Health Care Facilities
- 2. 2012 International Building Code
- 3. 2012 International Mechanical Code
- 4. 2012 International Plumbing Code
- 5. 2012 International Fuel and Gas Code
- 6. 2011 National Electric Code
- 7. 2012 NFPA 101 Life Safety Code
- 8. 1999 North Carolina Handicap Accessibility Code with 2004 Amendments
- 9. 2012 U S' Public health Code

#### Federal:

1. The Americans with Disabilities Act (ADA), Accessibility Guidelines for Buildings and Facilities
- 2010 Edition

Sincerely,

C. ROSS ARCHITECTURE, L.L.C.

R. Christopher Ross, III, AIA

3807 Charlotte Avenue V Nashville, Tennessee 37209

C, Economic Feasibility--2
Documentation of Availability of Funding

C, Economic Feasibility--10 Financial Statements

# HCA HOLDINGS, INC. CONSOLIDATED INCOME STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2014, 2013 AND 2012 (Dollars in millions, except per share amounts)

		2014		2013		2012
Revenues before the provision for doubtful accounts  Provision for doubtful accounts	\$	40,087 3,169	\$ 3	38,040 3,858	\$	36,783 3,770
Revenues		36,918	2	34,182		33,013
Salaries and benefits		16,641		15,646		15,089
Supplies		6,262		5,970		5,717
Other operating expenses		6,755		6,237		6,048
Electronic health record incentive income		(125)		(216)		(336)
Equity in earnings of affiliates		(43)		(29)		(36)
Depreciation and amortization		1,820		1,753		1,679
Interest expense		1,743		1,848		1,798
Losses (gains) on sales of facilities		(29)		10		(15)
Losses on retirement of debt		335		17		<del>200</del>
Legal claim costs		78	_		_	175
	_	33,437		31,236	_	30,119
Income before income taxes		3,481		2,946		2,894
Provision for income taxes		1,108	_	950		888
Net income		2,373		1,996		2,006
Net income attributable to noncontrolling interests	_	498		440	_	401
Net income attributable to HCA Holdings, Inc.	\$	1,875	\$	1,556	\$	1,605
Per share data:						
Basic earnings per share	\$	4.30	\$	3.50	\$	3.65
Diluted earnings per share	\$	4.16	\$	3.37	\$	3.49
Shares used in earnings per share calculations (in thousands):						440 150
Basic		35,668		45,066		140,178
Diluted	4	50,352	4	61,913	2	159,403

The accompanying notes are an integral part of the consolidated financial statements.

# HCA HOLDINGS, INC. CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2014, 2013 AND 2012 (Dollars in millions)

	2014	2013	2012
Net income	\$2,373	\$1,996	\$2,006
Other comprehensive income (loss) before taxes:  Foreign currency translation	(74)	18	37
Unrealized gains (losses) on available-for-sale securities	9	(7)	6
Defined benefit plans  Pension costs included in salaries and benefits	(158) 21	134 38	(89) <u>46</u>
	(137)	172	(43)
Change in fair value of derivative financial instruments	(36) 132	3 131	(151) 122
	96	134	(29)
Other comprehensive income (loss) before taxes	(106) (40)	317 117	(29) (12)
Other comprehensive income (loss)	(66)	200	(17)
Comprehensive income	2,307 498	2,196 440	1,989 401
Comprehensive income attributable to HCA Holdings, Inc.	\$1,809	\$1,756	\$1,588

## HCA HOLDINGS, INC. CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2014 AND 2013 (Dollars in millions)

	2014	
ASSETS		
Current assets:  Cash and cash equivalents  Accounts receivable, less allowance for doubtful accounts of \$5,011 and \$5,488  Inventories  Deferred income taxes  Other	\$ 566 5,694 1,279 366 1,025 8,930	\$ 414 5,208 1,179 489 747 8,037
Property and equipment, at cost:  Land  Buildings  Equipment  Construction in progress  Accumulated depreciation	1,524 11,941 18,496 1,019 32,980 (18,625)	1,487 11,211 17,519 856 31,073 (17,454)
Investments of insurance subsidiaries Investments in and advances to affiliates Goodwill and other intangible assets Deferred loan costs Other	14,355 494 165 6,416 219 620 \$ 31,199	13,619 448 121 5,903 237 466 \$ 28,831
LIABILITIES AND STOCKHOLDERS' DEFICIT  Current liabilities:     Accounts payable     Accrued salaries     Other accrued expenses     Long-term debt due within one year  Long-term debt Professional liability risks Income taxes and other liabilities	\$ 2,035 1,370 1,737 338 5,480 29,307 1,078 1,832	\$ 1,803 1,193 1,913 786 5,695 27,590 949 1,525
Stockholders' deficit:  Common stock \$0.01 par; authorized 1,800,000,000 shares; outstanding 420,477,900 shares — 2014 and 439,604,000 shares — 2013  Capital in excess of par value  Accumulated other comprehensive loss  Retained deficit  Stockholders' deficit attributable to HCA Holdings, Inc.  Noncontrolling interests	(323) (7,575) (7,894) 1,396 (6,498) \$ 31,199	

The accompanying notes are an integral part of the consolidated financial statements.

### HCA HOLDINGS, INC. CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT FOR THE YEARS ENDED DECEMBER 31, 2014, 2013 AND 2012 (Dollars in millions)

Equity (Deficit) Attributable to HCA Holdings, Inc. Equity Accumulated Capital in Common Stock Attributable to Other Excess of oncontrolling Comprehensive Retained Shares Par Par Total Deficit Interests Loss Value Value (000)\$1,244 \$(7,014) \$(440) \$ (9,423) 4 \$ 1,601 437,478 \$ Balances, December 31, 2011 ..... 1,989 401 1,605 (17)Comprehensive income ..... 169 169 5,722 Share-based benefit plans .... (401)(3,543)(3,142)Distributions ..... 58 75 (17)Other ..... 1,319 (8,341)(10,960)(457)4 1,753 Balances, December 31, 2012 . . . . . . 443,200 2,196 440 200 1,556 Comprehensive income ..... (500)(500)Repurchase of common stock . . . (10,656) 139 139 Share-based benefit plans .... 7,060 (435)(435)Distributions ..... 13 18 1 (6)Other ..... (6,928)(9,403)1.342 (257)Balances, December 31, 2013 ..... 439,604 1,386 2,307 498 1,875 (66)Comprehensive income ...... (1,750)(49)(1,701)Repurchase of common stock ... (28,583) 321 321 Share-based benefit plans ..... 9,457 (442)(442)Distributions ..... **(6)** 2 (2)(6)Other ..... \$(6,498) \$ (7,575) \$1,396 \$(323) Balances, December 31, 2014 . . . . . . 420,478 \$ 4 \$

# HCA HOLDINGS, INC. CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2014, 2013 AND 2012 (Dollars in millions)

	2014	2013	2012
Cash flows from operating activities:		<b>* * * * * * * * * *</b>	<b>4.2.00</b>
Net income	\$ 2,373	\$ 1,996	\$ 2,006
Increase (decrease) in cash from operating assets and liabilities:  Accounts receivable	(3,645) 3,169	(4,395) 3,858	(3,896) 3,770 (126)
Accounts receivable, net Inventories and other assets Accounts payable and accrued expenses Depreciation and amortization Income taxes Losses (gains) on sales of facilities Losses on retirement of debt Legal claim costs	(476) (232) 444 1,820 (83) (29) 335 78 42	(537) (19) 142 1,753 143 10 17	(120) (122) 355 1,679 96 (15) ————————————————————————————————————
Amortization of deferred loan costs  Share-based compensation  Other	163 13 4,448	113 	56 9 4,175
Net cash provided by operating activities	4,440	3,000	<del>-1,173</del>
Cash flows from investing activities:  Purchase of property and equipment Acquisition of hospitals and health care entities Disposal of hospitals and health care entities Change in investments Other  Net cash used in investing activities	(2,176) (766) 51 (37) 10 (2,918)	(1,943) (481) 33 36 9 (2,346)	(1,862) (258) 30 16 11 (2,063)
Cash flows from financing activities:  Issuances of long-term debt	5,502 440 (5,164) (442) (73) (1,750)	(435) (5) (500)	(62) —
Distributions to stockholders Income tax benefits Other	134 (18)	113	174
Net cash used in financing activities	(1,378)	(1,625)	(1,780)
Change in cash and cash equivalents	152	(291)	
Cash and cash equivalents at beginning of period	414	705	373
Cash and cash equivalents at end of period		\$ 414	\$ 705
Interest payments	\$ 1,758		\$ 1,723 \$ 618

The accompanying notes are an integral part of the consolidated financial statements.

HORIZON MEDICAL CENTER	FINANCIAL STATEMENT
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U02902 CO SO BOO ROO DOOO U02902 COID 36243 07/11/15

AS OF 06/30/15

CAGE

BALANCE SHEET ASSETS

BEGIN	22,465	21,562,997 13,119,887- 8,443,110	156,684-	8,286,426	2,403,441 964,821 36,605L	11,713,758	5,506,361 47,084,998 38,850,729 1,017,545 8,250 92,467,883 57,742,514- 34,725,369	16,029,952	62,469,079
- YEAR TO DATE - CHANGE	13,178-	1,860,761 1,923,776- 63,015-	315,943	252,928	48,931 765,915- 22,221-	499,455-	4,451,956 826,899 256,729 385,931 5,921,515 1,258,103- 4,663,412		4,163,957
ENDING	9,287	23,423,758 15,043,663- 8,380,095	159,259	8,539,354	2,452,372 198,906 14,384	11,214,303	5,506,361 51,536,954 39,677,628 1,274,274 394,181 98,389,398 59,000,617-	16,029,952	960'689'999
	CORRENT ASSETS- CASH & CASH EQUIVALENTS MARKETABLE SECURITIES	PATIENT ACCOUNTS RECEIVABLES PATIENT RECEIVABLES LESS ALLOW FOR GOVT RECEIVABL LESS ALLOWS - BAD DEBT NET PATIENT RECEIVABLES	FINAL SETTLMENTS DUE TO/FROM GOVT PROGRAMS ALLOWS DUE GOVT PROGRAMS NET PINAL SETTLEMENTS	NET ACCOUNTS RECEIVABLES		TOTAL CURRENT ASSETS	PROPERTY, PLANT & EQUIPMENT LAND BLDGS AND IMPROVEMENTS EQUIPMENT - OWNED EQUIPMENT - CAPITAL LEASES CONSTRUCTION IN PROGRESS GROSS PP&E LESS ACCUMULATED DEPRECIATION NET PP&E	OTHER ASSETS INVESTMENTS NOTES RECEIVABLE INTANGIBLE ASSETS - NET INVESTMENT IN SUBSIDIARIES OTHER ASSETS TOTAL OTHER ASSETS	GRAND TOTAL ASSETS
ENDING	9,287	23,423,758 15,043,663~ 8,380,095	159,259	8,539,354	2,452,372 198,906 14,384	11,214,303	5,506,361 51,536,954 39,677,628 1,274,274 394,181 98,389,398 59,000,617-	16,029,952	66,633,036
CURRENT MONTH -	3,851	1,935,138 2,067,629- 132,491-	122,425	10,066-	33,149 29,541- 14,383-	16,990~	4,451,956 734,772 183,286 5,370,014 206,452- 5,163,562		5,146,572
BEGIN	5,436	21,488,620 12,976,034- 8,512,586	36,834 36,834	8,549,420	2,419,223 228,447 28,767	11,231,293	5,506,361 47,084,998 38,942,856 1,274,274 210,895 93,019,384 58,794,165- 34,225,219	16,029,952	61,486,464

HORIZON MEDICAL CENTER FINANCIAL STATEMENT AS OF 06/30/15 T02902 C0 S0 B00 R00 D000 U02902 COID 36243 07/11/15

BALANCE SHEET LIABILITIES AND EQUITY

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BEGIN	1,382,503 3,034,287 710,519	188,969 32,150 5.348,428	734,448	172 175 175 175 175 175 175 175 175 175 175	35,339° 10,000 23,343,622 35,149,752-	11,796,130-62,469,079
- YEAR TO DATE - CHANGE	158,721 142,716- 279,994-	58,691 21,581- 226,879-	87,994 3,347,965	3,435,959	19,125- 989,671 15,669-	974,002
ENDING	1,541,224 2,891,571 430,525	247,660 10,569 5,121,549	822,442	72,317,401	10,000 23,343,622 34,160,081- 15,669-	10,822,128-
	CURRENT LIABILITIES- ACCOUNTS PAYABLE ACCRUED SALARIES ACCRUED EXPENSES ACCRUED INTEREST	DISTRIBUTIONS PAYABLE CURR PORT-LONG TERM DEBT OTHR CURRENT LIABILITIES INCOME TAXES PAYABLE TOTAL CURRENT LIABILITIES	LONG TERM DEBT- CAPITALIZED LEASES INTERCOMPANY DEBT OTHER LONG TERM DEBTS	DEFERRED CREDITS AND OTHER LIAB PROFESSIONAL LIABBLLITY RISK DEFERRED INCOME TAXES LONG-TERM OBLIGATIONS TOTAL OTHER LIAB. & DEF	EQUITY COMMON STOCK - PAR VALUE CAPITAL IN EXCESS OF PAR VALU RETAINED EARNINGS - START OF NET INCOME - CURRENT YEAR DISTRIBUTIONS	OTHER EQUITY TOTAL EQUITY TOTAL LIABILITIES AND EQU
ENDING	1,541,224 2,891,571 430,525	247,660 10,569 5,121,549	822,442 71,494,959	16,214	10,000 23,343,622 34,160,081- 15,669-	10,822,128-
CURRENT MONTH CHANGE	150,270 209,872 55,188	958 5,986- 410,302	21,080- 4,276,646 4,255,566	224	480,480	480,480 5,146,572
BEGIN	1,390,954 2,681,699 375,337	246,702 16,555 4,711,247	843,522 67,218,313 68,061,835	15,990	10,000 23,343,622 34,160,081- 496,149-	11,302,608-

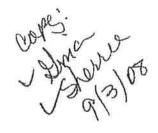
7	HORIZON MEDICAL CENTER	MONTHLY OPERATING STATEMENTS	FOR PERIODS ENDING 06/30/15
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		R00	
116			

SUMMARY P & L STATEMENT

THIS YEAR BUDGET LAST YEAR	14,181,848 14,175,364 12,882,317 70,259,169 73,010,006 68,802,549 84,441,017 87,185,370 81,684,866 130,611,475 122,536,645 111,593,647 215,052,492 209,722,015 193,278,513 293,401 281,138 281,138 215,345,893 210,003,153 193,559,651	195,366 57,424,819 583,676 167,600 287,236 1,569,346 747,547- 471,137- 345,669 85,381,609 942,952 2,417,188 718,440 23,337,132 369,322 4,759,025 359,114 174,585,582	37,350,779 35,417,571 34,079,704 12,856,159 12,635,049 12,162,416 438,622 432,960 424,470 3,593,544 4,589,038 4,872,489 1,581,120 1,721,385 1,880,599 4,537,275 4,520,790 4,225,828 1,279,944 1,222,001 1,159,554 205,053 178,380 174,280 782,622 939,952 910,633 333,466 333,384 301,631 643,119 714,235 553,846 5,965,257 4,419,979 3,684,062 1,699,360 1,731,264 1,738,084	1,812,969 1,835,050 1,829,135 2,468,597 2,474,702 2,348,797 5,980,926 6,041,016 5,916,016 15,669- 1,621,037- 2,231,954-
HI	REVENUES ROUTINE INPATIENT ANCILLARY TOTAL INPATIENT REVENUE OUTPATIENT ANCILLARY TOTAL PATIENT REVENUE TOTAL PATIENT REVENUE TOTAL REVENUES 215,	ALS ALS ALS IS TONS	TOTAL NET REVENUE 37, OPERATING COSTS SALARIES AND WAGES CONTRACT LABOR EMPLOYEE BENEFITS SUPPLIES PROFESSIONAL FEES CONTRACT SERVICES RENTS AND MAINTENANCE INSURANCE	COST DOTHER
THIS YEAR	2,249,350 11,871,948 14,121,298 22,366,885 36,488,183 47,559 36,535,742		7,042,316 2,300,723 79,812 572,666 917,305 266,900 39,542 145,730 54,179 51,053 116,411 5,566,922 1,475,394	298,303 410,552 994,914 480,480
CURRENT MONTH BUDGET	2,284,552 12,247,616 14,532,168 21,633,698 36,165,866 44,272 36,210,138	68,41 68,41 186,75 252,05 392,96 358,17 136,65	5,876,381 2,156,131 72,160 373,003 776,147 288,073 749,205 198,578 159,635 55,564 5,012,684 863,697	305,684 412,473 1,005,045 141,348-
LAST YEAR	1,909,624 10,966,310 12,875,934 19,343,706 32,219,640 44,272		5,866,998 1,991,654 70,745 526,481 833,571 364,084 33,009 148,524 50,182 41,753 41,753 72,659 4,987,807	304,011 389,219 974,786 95,595-

C, Orderly Development--7(C)
Licensing & Accreditation Inspections





#### STATE OF TENNESSEE DEPARTMENT OF HEALTH

WEST TENNESSEE HEALTH CARE FACILITIES 781-8 AIRWAYS BOULEVARD JACKSON, TENNESSEE 38301-3203

August 27, 2008

Mr. John Marshall, Administrator Horizon Medical Center 111 Hwy 70 East Dickson, TN 37055

RE: Licensure Surveys

Dear Mr. Marshall:

On June 4, 2008, licensure surveys were completed at your facility. Your plans of correction for these surveys have been received and were found to be acceptable.

Thank you for the consideration shown during this survey.

Sincerely,

Celia Skelley, MSN, RN

Public Health Nurse Consultant 2

CES/TJW

#### **到Horizon Medical Center**

TRI & STAR HEALTH SYSTEM.

August 21, 2008

Ms. Celia Skelley, MSN, RN State of Tennessee Department of Health West Tennessee Health Care Facility 781-B Airways Boulevard Jackson, TN 38301-3203

RE: Licensure & Fire Safety Surveys

Dear Ms. Skelley:

Enclosed is Horizon Medical Center's Plan of Correction for the deficiencies cited during our June 4, 2008 annual licensure survey.

Should you find that you have any questions, please feel free to call me at 615-441-2357...

Sincerely,

John Marshall, CEO

7. A Marshall

**函Horizon Medical Center** 

TRI & STAR HEALTH SYSTEM.

August 21, 2008

Ms. Celia Skelley, MSN, RN State of Tennessee Department of Health West Tennessee Health Care Facility 781-B Airways Boulevard Jackson, TN 38301-3203

RE: Licensure & Fire Safety Surveys

Dear Ms. Skelley:

Enclosed is Horizon Medical Center's Plan of Correction for the deficiencies cited during our June 4, 2008 annual licensure survey.

Should you find that you have any questions, please feel free to call me at 615-441-2357...

Sincerely,

John Marshall, CEO

7. A Markall

PRINTED: 06/06/2008
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STATEMEN D PLAN	TATEMENT OF DEFICIENCIES O PLAN OF CORRECTION  (X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:		(X2) MULT A. BUILDI	TPLE CONSTRUCTION	(X3) DATE : COMPL	SURVEY LETED	
	PROVIDER OR SUPPLIER N MEDICAL CENTER	TNP63129	STREET ADD 111 HIGHV DICKSON,	RESS, CITY, VAY 70 EA		06/	04/2008
(X4) ID PREFIX TAG	(EACH DEFICIENCY	TEMENT OF DEFICIENCIES MUST BE PRECEDED BY SC IDENTIFYING INFORMA	FIRE I	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECT (EACH CORRECTIVE ACTION SHO) CROSS-REFERENCED TO THE APPR DEFICIENCY)	JLD BE	COMPLETE DATE
	serve as the food a with responsibility fo	tic Services.  Just designate a persond dietetic services of or the daily managem. The food and dietetical be:  dietetic technician or ogram, corresponder dietetic technician or ogram, corresponder or more hours of classice supervision and service supervision and service supervision and service supervision for with consultation for the facility falled to ensivices Director met the osition.  d:  file for Employee #1' oloyee had a job decrirector. Review of the original falled a state-approach in the facility falled a job decrirector. Review of the original falled a state-approach in the original falled a job decrirector. Review of the original falled a state-approach in the original falled a job decrirector. Review of the original falled a state-approach in the original falled a job decrirector. Review of the original falled a state-approach in the original falled a job decrirector. Review of the original falled a state-approach in the original falled a	on to lirector lent of ic or dietetic letetic	H 732	1200-8-106 (9) (b) Basic Hospital Functions  (9) Food and Dietetic Services  Horizon Medical Center has a design Director of Food and Nutrition Service holds an Associate's Degree in Culin His current level of training has fully Certifying Board for Dietary Manager requirements, and he has been accept for the Certified Dietary Manager's Credentialing Exam on October 25, 2 This program is accredited by the Nat Commission for Certifying Agencies of his certificate as a Certified Dietary Manager (CDM) will be maintained it personnel file for review upon receipt The Director of Food and Nutrition Shas a qualified dietician available onconsultation when needed.	ces who ary Arts. met the rs' ed to sit  008. tional A copy n his ervices	The application for taking the CDM exam was accepted on 7/21/08.  The date of the CDM exam will be 10/25/08
	ilts Care Facilities  DIRECTOR'S OR PROVIDE	7. A.M.M.	MINES SIGNA	nies	TITLE CEO		XI) DATE >1>24-)

STATE FORM

5800

3L3811

If continuation sheet 1 of 2

PRINTED: 06/06/2008

TNP53129		B. WING			(X3) DATE SURVEY COMPLETED 06/04/2008				
	ROVIDER OR SUPPLIER  MEDICAL CENTER	ı	111 HIGH	ORESS, CITY, STATE, ZIP CODE IWAY 70 EAST I, TN 37055					
(X4) ID PREFIX TAG	SUMMARY STATEMENT OP DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)			ID PREFIX TAG	PROVIDER'S PLAN OF CO (EACH CORRECTIVE ACTION CROSS-REFERENCED TO THE DEFICIENCY)	E ACTION SHOULD BE CO TO THE APPROPRIATE			
·	H 732 Continued From page 1  During an interview on 6/4/08 at 1:45 PM in the conference room, the Food and Nurtition Directed stated he had not attended a state-approved course of classroom instruction in food service supervision.		n Director	H 732	•				
	*		* *		n <sup>ac</sup> × 3	<b>*</b> }∰			
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	≤ ₩	* ,			*(		[ <b>19</b> ]]		
*	•				v	.*			
			<u>i.</u>						

STATE FORM

3L3811

TEMENT OF DEFICIENCIES PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TNP53129	127 - 25	(X2) MULTIPLE CONSTRUCTION A. BUILDING D1 - MAIN B. WING		(X3) DATE SURVEY COMPLETED 06/04/2008	
	ROVIDER OR SUPPLIER	STRE - 111	ET ADDRESS, CITY, HIGHWAY 70 EA SON, TN 37055	ST .	1 00	04/2000	
(X4) ID PREFIX TAG	(EACH DEFICIENCY	TEMENT OF DEFICIENCIES MUST BE PRECEDED BY FULL SC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF COM (EACH CORRECTIVE ACTION CROSS-REFERENCED TO THE DEFICIENCY)	RRECTION I SHOULD BE APPROPRIATE	(X5) COMPLETE DATE	
	1200-8-108 (2) Building Standards  (2) The condition of the physical plant and the overall hospital environment must be develope and maintained in such a menner that the safe and well-being of patients are assured.  This Rule is not met as evidenced by: Based on observation and inspection it was determined the facility falled to maintain the physical environment.  The findings include:  On 6/4/08 at approximately 9:30 AM, inspection of the celling tiles located throughout the facility revealed water stain ceiling tiles. TDOH 1200-8-18(2)  1200-8-108 (23) Building Standards  (23) A negative air pressure shall be maintained in the soiled utility area, tollet room, janitor 's closet, dishwashing and other such soiled spaces, and a positive air pressure shall be maintained in all clean areas including, but not limited to, clean linen rooms and clean utility		ed ety on cy	1200-8-108 (2) Building Standards  The hospital acknowledges the opportunity to improve the overall hospital environment by the ongoing replacement of ceiling tiles noted to be stained or damaged.  A tour of the entire facility was completed and stained ceiling tiles were identified for replacement. It is anticipated that 100% of the tiles identified during this tour will be replaced by 8/31/08.  Ongoing monitoring throughout the hospital is done departmentally on a monthly basis by each Director completing an Environmental and Infection Control Survey. It has been determined that additional education and reinforcement of this process is needed to promote a more timely reporting of this environmental issue. An educational review of our process was presented during the Management Meeting on 8/20/08.  The Director of Plant Operations, or designee will audit compliance at least quarterly during Environmental Tour Surveys.		8/31/08 8/21/08 Ongoing Ongoing	
	determined the facilinegative air pressur. The findings include On 6/4/08 at approx of the 1st floor Sout	on and inspection it was lity falled to maintain the e.		Safety Officer, Infection Control Environmental Services Director members of the Quality Departs conduct departmental Environmentor to monitor hospital compliance.  1200-8-108 (23) Building Sta The 1st floor South soiled utility relocated to a room where negative pressure can be maintained.	or, and nent also mental Rounds mdards room was	8/20/08	

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

If continuation sheet 1 of 5

(XII) DATE

TITLE

PRINTED: 06/06/2008 FORM APPROVED

(X3) DATE SURVEY SATEMENT OF DEFICIENCIES (X1) PROVIDER/SUPPLIER/CLIA (X2) MULTIPLE CONSTRUCTION COMPLETED PLAN OF CORRECTION DENTIFICATION NUMBER: A. BUILDING 01 - MAIN B. WING 06/04/2008 TNP53129 STREET ADDRESS, CITY, STATE, ZIP CODE NAME OF PROVIDER OR SUPPLIER 111 HIGHWAY 70 EAST HORIZON MEDICAL CENTER DICKSON, TN 37055 PROVIDER'S PLAN OF CORRECTION (X5) COMPLETE DATE SUMMARY STATEMENT OF DEFICIENCIES (EACH CORRECTIVE ACTION SHOULD BE (EACH DEFICIENCY MUST BE PRECEDED BY FULL PREFIX CROSS-REFERENCED TO THE APPROPRIATE REGULATORY OR LSC IDENTIFYING INFORMATION) TAG' TAG DEFICIENCY) H 893 H 893 Continued From page 1 1200-8-1-.08(23) H 901 1200-8-1-.09 (1) Life Safety H-901 1200-8-1-.09 (1) Life Safety (1) Any hospital which complles with the required It is the goal of Horizon Medical Center to applicable building and fire safety regulations at fully comply with the requirements outlined in the time the board adopts new codes or the Life Safety Code. regulations will, so long as such compliance is 8/8/08 maintained (either with or without waivers of The 2" metal conduit in the fire wall near the specific provisions), be considered to be in 2nd floor classroom was sealed, compliance with the regulrements of the new Anticipated Guardian Fire Testing is under contract to codes or regulations. completion inspect all of the hospital's fire doors for life by 9/19/08 safety code compliance including appropriate fire rating labeling. This project began on This Rule is not met as evidenced by: 6/12/08, and is not yet completed due to the Based on observation and inspection it was contractor's scheduling difficulties. A second determined the facility falled to comply with the contractor is being considered for completion life safety codes as required... of this project. The findings include: 7/24/08 100% of the building's standpipes were inspected. Those with missing brass end caps On 6/4/08 at approximately 8:00 AM, inspection were replaced with plastic end caps. of the cinder block fire wall located above the fire doors next to the 2nd floor classroom revealed 8/8/08 The 1/2" penetration in the fire wall between the 2" metal conduit was not sealed at the end. the old main and South corridor has been NFPA 101, 8.5.3.1 repaired. Inspection of the 2 ht fire wall located between the MQB and fast track corridors revealed the fire door's fire rating label was missing. NFPA 80, 1-5.1 Inspection of the standpipes located throughout the facility revealed the end caps were missing. NFPA 25, 6-2.1 Inspection of the 1st floor 2 hr fire wall (cinder block) located between the old main and the South corridors revealed 1/2" pentration in the

Division of Health Care Facilities

wall. NFPA 101, 8.5.3.1

STATE FORM

**BNL821** 

PLAN	PLAN OF GORRECTION (X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:  TNP53129		(X2) MULT A. BUILDIN B. WING_		(X3) DATE SURVEY, COMPLETED 06/04/2008		
				RESS, CITY,	STATE, ZIP CODE		772000
HORIZON MEDICAL CENTER 111 HIGH				WAY 70 EA TN 37065	ST		ne E
(X4) ID PREFIX TAG	EFIX (EACH DEFICIENCY MUST BE PRECEDED BY FULL		FULL	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)		(X5) COMPLETE DATE
H 901	inspection of the 1s block) located in the corridor revealed the not sealed. The 1/2 were not sealed. Ni inspection of the rocexit signs were not in 101, 7.10.5.1 and Ni inspection of cardial sprinklers were dirty inspection of the edithe sprinklers were considered the sprinklers were considered to the sprinkle	t floor 2 hr fire wall (ce in-patient nursing me top of the sprinkler and 6" metal conduction fPA 101, 8.5.3.1  of top heliport revealed lluminated and legible FPA 101, 7.10.3.1  or rehab revealed the cellint. NFPA 25, 5.2.  ucation department redirty (lint). NFPA 25, 6.2.  chanical rooms located y revealed portions of the cellints were missing A 220  nent room 9 revealed	angers pipe was lits ends ed the 2 e. NFPA  1.1.1 evealed ed of the g the 2.	H 901	The 1/3" and 6" metal conduits e sprinkler pipe located in the inmanager's corridor have both b  The exit signs on the roof top h inspected and found to be illum However, it was noted that the abackdrop was faded by the sun, replacement for proper illuminasignage.  The sprinkler heads in cardiae releaned.  The sprinkler heads in the educate department have been cleaned.  The Environmental Services Dehave been re-educated regarding importance of maintaining clear heads as part of their normal rouprocedure.  The Environmental Services Dimonitor compliance during his a rounds. Compliance will also be during the interdisciplinary team Environmental Rounds.	patient nursing cen sealed. eliport were inated. red plastic thus required tion of chab have been ation  partment staff g the a sprinkler rine cleaning rector will monthly monitored	8/8/08 7/19/08 8/20/08 8/20/08 8/20/08 Ongoing
	Inspection of the 2nd door revealed the do door frame. NFPA 8 Inspection of the 2nd room's fire wall ((2) 6 metal conduit end was 8.5.3.1  Inspection of the OB revealed the sprinkle sprinklers must be re 25, 5.2.1.1.2	or did not close withing, 15.1.4  I floors' main equipments of the drywall) revealed as not sealed. NFPA  cat walk exit canopy to were corroded. The	ent the 2" 101,		The mechanical rooms throughousere inspected. A contractor winsulate the decking and beams to meet code requirements.  The 2"x4" penetration in the fire equipment room #9 has been reported floor fire door on the Widd not come to a positive latched carpet installation. The carpet installation. The carpet installation. The carpet installation. The carpet installation. Going forward, the Director of Forward, the Director of Forward, or designee will imminspect upon job completion any potentially affected by a change material.	as hired to re- where needed  wall noted in paired.  est corridor due to new ansition piece o close to a  Plant nediately fire door	7/11/08 8/8/08 7/14/08 Ongoing

316	TEMENT OF DEFICIENCIES
SEED!	PLAN OF CORRECTION
200	
1	

NAME OF PROVIDER OR SUPPLIER

(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:

(X2) MULTIPLE CONSTRUCTION A. BUILDING 01 - MAIN

(X3) DATE SURVEY COMPLETED

06/04/2008

TNP53129

STREET ADDRESS, CITY, STATE, ZIP CODE

B. WING\_

		CKSON, TN 37055	PROVIDER'S PLAN OF CORRECTION	(205)
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FUL REGULATORY OR LSC IDENTIFYING INFORMATIO	LL PREFIX TAG	(EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	COMPLETE DATE
H 901	Continued From page 3			
•	Inspection of the ER ambulance and ER m entrance canopies revealed the sprinklers corroded. The sprinklers must be replaced cleaned. NFPA 25, 5.2.1.1.2	were H 901	The 2" metal conduit end located in the fire wall of the 2 <sup>nd</sup> floor's main equipment room has been scaled.	8/8/08
**	Inspection of the surgery oxygen storage re revealed 2 unsecured oxygen cylinders. NI 7.1.3.4	oom IFPA	The sprinkler heads in the OB Cat-walk exit canopy are contracted to be replaced with new moisture-resistant heads.	Anticipated completion by 8/3 1/08.
	Inspection of the 1st floor North exit stairwe revealed the fire wall had a 1/8" crack down wall. NFPA 101, 8.5.3.1	ell n the	The sprinkler heads in the ER ambulance and ER main entrance canopies are contracted to be replaced with new moisture-resistant heads.	Anticipated completion by 8/31/08.
	Inspection of the 1st floor West supply (318 in-patient rehab supply rooms revealed no detectors installed in the rooms. NFPA 10: 9.6.2.10.1	smoke	The two oxygen cylinders located in the surgery oxygen storage room noted to be unsecured by the surveyor were immediately secured.	6/4/08
•	Inspection of equipment room 1 revealed 3 electrical j-boxes with no covers installed. 70, 314.28(3)(c)	NFPA	The Surgery Director re-educated the Operating Room staff at the August staff meeting regarding safe oxygen storage practices. Additional educational signage was also posted in the oxygen storage room.	8/20/08
	Inspection of equipment room 1 revealed to heating and cooling duct flange located at the ceiling deck had a 1/2" penetration. NFPA 8.5.3.1	the	A contractor is scheduled to inspect the 1/8" crack in the wall in the North exit stalrwell and provide an estimate for repair on 8/22/03.	Anticipated completion 9/5/08.
ě	Inspection of the main boiler room revealed cinder block fire wall had a 3" x 3" pentration. The 5" metal pipe was not seal the fire wall. NFPA 101, 8.5.3.1		The smoke detectors needed in the in-patient rehab supply rooms were added to our worklist for the hospital-wide fire and security upgrades presently being completed by Simplex Grinnell.	Anticipated completion 9/5/08.
	Inspection of equipment rooms 10 and 11 revealed the sprinklers were corroded. The sprinklers must be replaced not cleaned. N 25, 5.2.1.1.2	NEPA.	The three electrical j-boxes with missing covers in equipment room #1 had covers installed immediately following the survey on 6/4/08.	6/4/08
	Inspection of the kitchen revealed no C clar portable fire extinguisher installed. NFPA 1 saith Care Facilities		The ½" penetration in the heating and cooling duct flange in equipment room #1 has been repaired.	8/08/08

STATE FORM

BNL621

If continuation sheet 4 of 5



STATEMENT OF DEFICIENCIES OPLAN OF CORRECTION

(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:

(X2) MULTIPLE CONSTRUCTION
A. BUILDING 01 - MAIN

(X3) DATE SURVEY COMPLETED

TNP53129

B. WING \_\_\_\_

06/04/2008

NAME OF PROVIDER OR SUPPLIER

STREET ADDRESS, CITY, STATE, ZIP CODE

HORIZON MEDICAL CENTER

111,HIGHWAY 70 EAST DICKSON, TN 37055

HURIZU	N MEDICAL CENTER	DICKSON, TN 37055		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FU REGULATORY OR LSC IDENTIFYING INFORMATION	JLL PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
H 901	Continued From page 4 Inspection of the kitchen revealed the spriwere dirty. NFPA 25, 5.2.1.1.2	.	The 5" metal pipe in the main boiler room fire wall was sealed.  The sprinkler heads in equipment rooms #10 and #11 are contracted to be replaced with	8/8/08 Anticipated completion
	Observation of the records revealed no bis sensitivity test were conducted on the smo detectors. NFPA 72, 10.4.3.2.2	oke .	new moisture-resistant heads.  A "C" Class portable fire extinguisher was installed in the kitchen.	by 8/31/08 7/29/08
	Observation of the records revealed the 5 sprinkler obstruction investigation was ove NFPA 25, 13,2.1	year rdue.	Kitchen employees were educated regarding the appropriate time and procedure for using a "C" Class fire extinguisher.	7/31/08
			Going forward, "C" Class fire extinguisher training will be conducted by the Safety Officer, or designee during new hire departmental orientation and at least annually for all kitchen employees.	Ongoing
,	2		Fire extinguishers monitoring will be done by the Plant Operations Director, or designed monthly.	Ongoing
			The Kitchen sprinkler heads have been cleaned. A contractor has been contacted for a quote on replacing our existing sprinkler heads with recessed sprinkler heads within the kitchen environment.	08/20/08
	· · · · · · · · · · · · · · · · · · ·		A contract has been initiated for 100% of the smoke detectors hospital-wide to be sensitivity tested on 8/22/08. Going forward, this company will do sensitivity testing on a portion of the building each quarter to ensure	Anticipated completion by 8/3 1/08
			that the entire building's sensitivity testing is completed at least biannually.  A five year sprinkler obstruction investigation was completed on 8/8/08. A reminder for reinspection in the year 2013 was placed on the Building Maintenance Program.	8/8/08

Division of Health Care Facilities

STATE FORM

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8NL621

If continuation sheet 5 of 5



PRINTED: 08/08/2008

111.88				(X2) MULTIPLE CONSTRUCTION  A BUILDING 01 - MAIN  B. WING				
(X4) ID PREFIX (E TAG RE	ACH DEFICIENCY	TEMENT OF DEFICIENCIE  MUST BE PRECEDED BY SCIDENTIFYING INFORMA	FULL.	(D) PREFIX TAG	PROVIDER'S PLAN OF CORRECT (EACH CORRECTIVE ACTION SHOU CROSS-REFERENCED TO THE APPRO DEFICIENCY)	LD BE	(X5) COMPLETE DATE	
				I 901	All of the repairs for the above mention wall penetrations and conduit sealings completed using a UL approved Hiltisystem.  Going forward, the Director of Plant Operations will require all contractors report to Plant Ops prior to the start of project, and at the completion of the project, and at the project, and at the project of the project, and at the project of the project o	were firestop  to a roject to s.  ill be O by the signee	/8/08 engoing engoing	
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vision of Health Care	-		Į,					



Chr. 20/22/08

# STATE OF TENNESSEE DEPARTMENT OF HEALTH

WEST TENNESSEE HEALTH CARE FACILITIES 781-B AIRWAYS BOULEVARD JACKSON, TENNESSEE 38301-3203

September 22, 2008

Mr. John Marshall, Administrator Horizon Medical Center 111 Hwy 70 East Dickson, TN 37055

Dear Mr. Marshall:

On **September 15, 2008**, a surveyor from our office completed a revisit to verify that your facility had achieved and maintained compliance. Based on our revisit, we found that your facility had demonstrated compliance with deficiencies cited on the **fire safety licensure survey** completed on **June 4, 2008**.

If this office may be of any assistance to you, please call 731-421-5113.

Sincerely,

Celia Skelley, MSN, RN

Public Health Nurse Consultant 2

CS/TW



#### STATE OF TENNESSEE DEPARTMENT OF HEALTH WEST TENNESSEE HEALTH CARE FACILITIES 781-B AIRWAYS BOULEVARD JACKSON, TENNESSEE 38301-3203

June 9, 2008

Mr. John Marshall, Administrator Horizon Medical Center 111 Hwy 70 East Dickson, TN 37055

RE: Licensure & Fire Safety Surveys

Dear Mr. Marshall:

Enclosed is the statement of deficiencies for the licensure surveys completed at your facility on June 4, 2008. Based upon 1200-8-1, you are asked to submit an acceptable plan of correction for achieving compliance with completion dates and signature within ten (10) days from the date of this letter.

Please address each deficiency separately with positive and specific statements advising this office of a plan of correction that includes acceptable time schedule, which will lead to the correction of the cited deficiencies. Enter on the right side of the State Form, opposite the deficiencies, your planned action to correct the deficiencies and the expected completion date. The completion date can be no longer than 45 days from the day of survey. Before the plan can be considered "acceptable," it must be signed and dated by the administrator

Your plan of correction must contain the following:

- How the deficiency will be corrected;
- How the facility will prevent the same deficiency from recurring.
- The date the deficiency will be corrected;
- How ongoing compliance will be monitored.

Please be advised that under the disclosure of survey information provisions, the Statement of Deficiencies will be available to the public.

If assistance is needed, please feel free to call me at 731-421-5113.

Sincerely.

; Kelley fw Celia Skelley, MSN, RN

Public Health Consultant Nurse 2

**CS/TW** 

If continuation sheet 1 of 2

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION (X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:				(X2) MULTIF A. BUILDING B. WING		(X3) DATE SURVEY COMPLETED	
		TNP53129				06/0	14/2008
	PROVIDER OR SUPPLIER  N MEDICAL CENTER		111 HIGH	ORESS, CITY, S WAY 70 EAS , TN 37055	TATE, ZIP CODE		
(X4) ID PREFIX TAG	PREFIX (EACH DEFICIENCY MUST BE PRECEDED BY FULL			ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)		(X5) COMPLETE DATE
H 732	<ul> <li>(9) Food and Diete</li> <li>(b) The hospital measure as the food a with responsibility for the dietary services services director shall.</li> <li>1. A dietitian; or</li> <li>2. A graduate of a assistant training proclassroom, approve Association; or</li> <li>3. A graduate of a provided ninety (90 instruction in food sexperience as a food</li> </ul>	ust designate a persond dietetic services of the daily managen. The food and dietetiall be:  dietetic technician of the dietetic	on to lirector nent of tic or dietetic nce or lietetic rse that assroom nd has	H 732			
102	This Rule is not me Based on review of it was determined to food and dietetic se regirements for the The findings include Review of personned documented the en Food and Nutrition revealed no docume course of classroor supervision.	personnel files and in the facility failed to entervices Director met to position.	interview, isure the hese 17 cription of the file oproved			4	
Division of H	ealth Care Facilities			·	TITLE		(X6) DATE

3L3811

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

STATE FORM

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION  (X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:		A. BUILDING	PLE CONSTRUCTION  G	COMPLE	(X3) DATE SURVEY COMPLETED 06/04/2008		
		TNP53129	STREET ADD	RESS. CITY, S	STATE, ZIP CODE		WE500
111 HIGH				WAY 70 EAS TN 37055			
(X4) ID PREFIX TAG	PREFIX (EACH DEFICIENCY MUST BE PRECEDED BY PULL			ID PREFIX TAG	PREFIX (EACH CORRECTIVE ACTION SHOULD BE		
H 732	During an interview conference room, t stated he had not a	ige 1 on 6/4/08 at 1:45 PM he Food and Nurtition ittended a state-appr m instruction in food s	n Director   oved	Н 732			
	* · · · · · · · · · · · · · · · · · · ·						
9							
				· ·			

3L3811 =

(X3) DATE SURVEY STATEMENT OF DEFICIENCIES (X1) PROVIDER/SUPPLIER/CLIA (X2) MULTIPLE CONSTRUCTION COMPLETED AND PLAN OF CORRECTION IDENTIFICATION NUMBER: **01 - MAIN** A. BUILDING B. WING 06/04/2008 TNP53129 STREET ADDRESS, CITY, STATE, ZIP CODE NAME OF PROVIDER OR SUPPLIER 111 HIGHWAY 70 EAST HORIZON MEDICAL CENTER DICKSON, TN 37055 (XS) COMPLETE DATE PROVIDER'S PLAN OF CORRECTION SUMMARY STATEMENT OF DEFICIENCIES (X4) ID EACH CORRECTIVE ACTION SHOULD BE (EACH DEFICIENCY MUST BE PRECEDED BY FULL PREFIX PREFIX CROSS-REFERENCED TO THE APPROPRIATE REGULATORY OR LSC IDENTIFYING INFORMATION) TAG **TAG** DEFICIENCY) H 872 H 872 1200-8-1-.08 (2) Building Standards (2) The condition of the physical plant and the overall hospital environment must be developed and maintained in such a manner that the safety and well-being of patients are assured. This Rule is not met as evidenced by: Based on observation and inspection it was determined the facility failed to maintain the physical environment. The findings include: On 6/4/08 at approximately 9:30 AM, inspection of the celling tiles located throughout the facility revealed water stain ceiling tiles. TDOH 1200-8-1-.-8(2) H 693 H 893 1200-8-1-.08 (23) Building Standards (23) A negative air pressure shall be maintained in the solled utility area, toilet room, janitor's closet, dishwashing and other such soiled spaces, and a positive air pressure shall be maintained in all clean areas including, but not limited to, clean linen rooms and clean utility rooms. This Rule is not met as evidenced by: Based on observation and inspection it was determined the facility failed to maintain the negative air pressure. The findings include: On 6/4/08 at approximately 11:30 AM, inspection of the 1st floor South soiled utility room revealed no exhaust fan installed in the room. TDOH Division of Health Care Facilities (X6) DATE

TITLE

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION (X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:			(X2) MULTIPLE CONSTRUCTION  A. BUILDING 01 - MAIN  B. WING		(X3) DATE SURVEY COMPLETED 06/04/2008			
		TNP53129			TATE TO CODE	1 00/0	7/4000	
	ROVIDER OR SUPPLIER N MEDICAL CENTER		111 HIGH\	RESS, CITY, S NAY 70 EAS TN 37055			_	
(X4) ID PREFIX TAG	FIX (EACH DEFICIENCY MUST BE PRECEDED BY PULL			ID PREFIX TAG	(EACH CORRECTIVE ACTIC CROSS-REFERENCED TO TH	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY) (X)		
H 893	Continued From page 1 1200-8-108(23)			H 893				
H 901	1200-8-109 (1) Life (1) Any hospital wh	nich complies with the	e required	H 901				
	applicable building the time the board regulations will, so maintained (either specific provisions)	and fire safety regula adopts new codes or long as such complia with or without waive , be considered to be e requirements of the	ations at ance is rs of e in					
*	Based on observati	et as evidenced by: ion and inspection it ility failed to comply v required	was with the		,	£		
	The findings includ	e:						
785	of the cinder block doors next to the 2	ximately 8:00 AM, in: fire wall located abound floor classroom re it was not sealed at t	ve the fire evealed					
	the MOB and fast t	hr fire wall located be rack corridors reveal oel was missing. NF	ed the fire					
		andpipes located thr I the end caps were						
	block) located betw	st floor 2 hr fire wall ( veen the old main an realed 1/2" pentration .5.3.1	d the				-	

8NL621

(X3) DATE SURVEY (X2) MULTIPLE CONSTRUCTION STATEMENT OF DEFICIENCIES (X1) PROVIDER/SUPPLIER/CUA COMPLETED AND PLAN OF CORRECTION IDENTIFICATION NUMBER: 01 - MAIN A BUILDING B. WING\_ 06/04/2008 TNP53129 STREET ADDRESS, CITY, STATE, ZIP CODE NAME OF PROVIDER OR SUPPLIER 111 HIGHWAY 70 EAST **HORIZON MEDICAL CENTER** DICKSON, TN 37055 PROVIDER'S PLAN OF CORRECTION SUMMARY STATEMENT OF DEFICIENCIES (X4) ID COMPLETE (EACH CORRECTIVE ACTION SHOULD BE (EACH DEFICIENCY MUST BE PRECEDED BY FULL PREFIX PREFIX DATE CROSS-REFERENCED TO THE APPROPRIATE REGULATORY OR LSC IDENTIFYING INFORMATION) TAG TAG DEFICIENCY) H 901 H 901 Continued From page 2 Inspection of the 1st floor 2 hr fire wall (cinder block) located in the in-patient nursing mangers corridor revealed the top of the sprinkler pipe was not sealed. The 1/2" and 6" metal conduits ends were not sealed. NFPA 101, 8.5.3.1 Inspection of the roof top heliport revealed the 2 exit signs were not illuminated and legible. NFPA 101, 7,10.5.1 and NFPA 101, 7,10.3.1 Inspection of cardiac rehab revealed the sprinklers were dirty (lint). NFPA 25, 5.2.1.1.1 Inspection of the education department revealed the sprinklers were dirty (lint). NFPA 25, 5.2.1.1.1 Inspection of the mechanical rooms located throughout the facility revealed portions of the ceilings deck support beams were missing the 2 hr fire coating. NFPA 220 Inspection of equipment room 9 revealed the 2 hr cinder block fire wall had a 2" x 4" penetration. NFPA 101, 8,5.3.1 Inspection of the 2nd floor West corridor (exit) fire door revealed the door did not close within the door frame. NFPA 80, 15.1.4

8.5.3.1

25, 5, 2, 1, 1, 2

Inspection of the 2nd floors' main equipment room's fire wall ((2) 5/8" drywall) revealed the 2" metal conduit end was not sealed. NFPA 101.

Inspection of the OB cat walk exit canopy revealed the sprinklers were corroded. The sprinklers must be replaced not cleaned. NFPA

**BNL621** 

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION

(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:

(X2) MULTIPLE CONSTRUCTION

(X3) DATE SURVEY COMPLETED

TNP53129

A. BUILDING 01 - MAIN
B. WING \_\_\_\_\_

06/04/2008

NAME OF PROVIDER OR SUPPLIER

STREET ADDRESS, CITY, STATE, ZIP CODE

HORIZON MEDICAL CENTER

111 HIGHWAY 70 EAST DICKSON, TN 37055

SUMMARY STATEMENT OF DEFICIENCIES  (EACH DEFICIENCY MUST are PRINCEDED DISTOLL TAG  H 901  Continued From page 3  Inspection of the ER ambulance and ER main entrance canopies revealed the sprinklers were corroded. The sprinklers must be replaced not cleaned. NFPA 25, 5.2.1.1.2  Inspection of the 1st floor North exit stainwell revealed the fire wall had a 1/8" crack down the wall. NFPA 101, 8.5.3.1  Inspection of equipment room 1 revealed 3 electrical j-boxes with no covers installed. NFPA 70, 314.28(3)(c)  Inspection of the penetration. NFPA 101, 8.5.3.1  Inspection of the main boiler room revealed 2 hr cinder block fire wall had a 3" x 3" pentration. The 5" metal pipe was not sealed at the fire wall. NFPA 101, 8.5.3.1  Inspection of the main boiler room revealed 2 hr cinder block fire wall had a 3" x 3" pentration. The 5" metal pipe was not sealed at the fire wall. NFPA 101, 8.5.3.1  Inspection of equipment rooms 10 and 11 revealed the sprinklers must be replaced not cleaned. NFPA 25, 5.2.1.1.2  Inspection of the wall had a 3" x 3" pentration. The 5" metal pipe was not sealed at the fire wall. NFPA 101, 8.5.3.1  Inspection of equipment rooms 10 and 11 revealed the sprinklers were corroded. The sprinklers must be replaced not cleaned. NFPA 25, 5.2.1.1.2  Inspection of the kitchen revealed not clease portable fire extinguisher installed. NFPA 10, 4.1	HORIZOI	MEDICAL CENTER	DICKSON,	TN 37055		
Inspection of the ER ambulance and ER main entrance canoples revealed the sprinklers were corroded. The sprinklers must be replaced not cleaned. NFPA 25, 5.2.1.1.2  Inspection of the surgery oxygen storage room revealed 2 unsecured oxygen cylinders. NFPA 7.1.3.4  Inspection of the 1st floor North exit stainwell revealed the fire wall had a 1/8" crack down the wall. NFPA 101, 8.5.3.1  Inspection of the 1st floor West supply (319) and in-patient rehab supply rooms revealed no smoke detectors installed in the rooms. NFPA 101, 9.6.2.10.1  Inspection of equipment room 1 revealed 3 electrical j-boxes with no covers installed. NFPA 70, 314.28(3)(c)  Inspection of equipment room 1 revealed the heating and cooling duct flange located at the ceiling deck had a 1/2" penetration. NFPA 101, 8.6.3.1  Inspection of the main boiler room revealed 2 hr cinder block fire wall had a 3" x 3" pentration. The 5" metal pipe was not sealed at the fire wall. NFPA 101, 8.5.3.1  Inspection of equipment rooms 10 and 11 revealed the sprinklers were corroded. The sprinklers must be replaced not cleaned. NFPA 25, 5.2.1.1.2  Inspection of the kitchen revealed no C class portable fire extinguisher installed. NFPA 10, 4.1	PREFIX	(FACH DEFICIENCY MUST BE PRECEDED BY	FULL	PREFIX	(EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE	COMPLETE
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portable fire extinguisher installed. NFPA 10, 4.1		revealed the sprinklers were corroded sprinklers must be replaced not clean	. The		N .	
		portable fire extinguisher installed. NI	C class FPA 10, 4.1			

	STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION (X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:  TNP53129		(X2) MULTIF A. BUILDING B. WING	PLE CONSTRUCTION  O1 - MAIN	(X3) DATE SI COMPLE	URVEY ETED 4/2008	
-	PROVIDER OR SUPPLIER		111 HIGH	DRESS, CITY, S IWAY 70 EAS I, TN 37055	TATE, ZIP CODE		
(X4) ID PREFIX TAG	(EACH DEFICIENCY	TEMENT OF DEFICIENCIE Y MUST BE PRECEDED BY SC IDENTIFYING INFORM	FULL	ID PREFIX TAG	PROVIDER'S PLAN OF C (EACH CORRECTIVE ACTI CROSS-REFERENCED TO TI DEFICIENCY	ON SHOULD BE HE APPROPRIATE	(X5) COMPLETE DATE
H 901	Observation of the sensitivity test were detectors. NFPA 7	tchen revealed the s 25, 5.2.1.1.2 records revealed no conducted on the s	biannual moke a 5 year	H 901			
a a							

May 31, 2013

John Marshall CEO Horizon Medical Center 111 Highway 70 East Dickson, TN 37055 Joint Commission ID #: 7826
Accreditation Activity: Unannounced Full Event
Accreditation Activity Completed: 05/31/2013

Dear Mr. Marshall:

Thank you for selecting The Joint Commission to conduct your recent Accreditation survey.

At The Joint Commission we strive to 'live' our mission.

'To continuously improve health care for the public, in collaboration with other stakeholders, by evaluating health care organizations and inspiring them to excel in providing safe and effective care of the highest quality and value.'

As you know, Joint Commission standards go beyond just the 'basics' of state and federal regulations, and set consistently high expectations for quality and safety. We recognize that successfully meeting these standards is not an easy task, and doing so deserves special recognition from The Joint Commission, your Board and staff, your community, and especially your patients and their families.

The report we left onsite is designed to help focus on areas of further improvement, in the spirit of helping our organizations continuously improve.

Thank you for choosing The Joint Commission as your accreditor and committing to continued improvements in patient care quality and safety. We are honored to assist you in your mission.

Best wishes for your continued success.

Sincerely,

Mark G.Pelletier, RN, MS

Chief Operating Officer

Division of Accreditation and Certification Operations

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## Horizon Medical Center 111 Highway 70 East Dickson, TN 37055

**Organization Identification Number: 7826** 

Program(s) Hospital Accreditation **Survey Date(s)** 05/29/2013-05/31/2013

#### **Executive Summary**

Hospital Accreditation: As a result of the accreditation activity conducted on the above date(s), Requirements for Improvement have been identified in your report.

You will have follow-up in the area(s) indicated below:

Evidence of Standards Compliance (ESC)

If you have any questions, please do not hesitate to contact your Account Executive.

Thank you for collaborating with The Joint Commission to improve the safety and quality of care provided to patients.

# 197 The Joint Commission Summary of Findings

Evidence of DIRECT Impact Standards Compliance is due within 45 days from the day the survey report was originally posted to your organization's extranet site:

Program:

Hospital Accreditation Program

Standards:

MM.04.01.01

EP13

Evidence of INDIRECT Impact Standards Compliance is due within 60 days from the day the survey report was originally posted to your organization's extranet site:

Program:

Hospital Accreditation Program

Standards:

LS.02.01.10

EP3,EP5

LS.02.01.30

EP11

RC.01.01.01

EP19

#### 198

#### The Joint Commission **Summary of CMS Findings**

CoP:

Text:

§482.24

**Tag:** A-0431

**Deficiency:** Standard

Corresponds to: HAP

§482.24 Condition of Participation: Medical Record Services

The hospital must have a medical record service that has administrative responsibility for medical records. A medical record must be maintained for every individual evaluated or treated in the hospital.

CoP Standard	Tag	Corresponds to	Deficiency
§482.24(c)(1)	A-0450	HAP - RC.01.01.01/EP19	Standard

CoP:

§482.41

Tag: A-0700

**Deficiency:** Standard

Corresponds to: HAP

Text:

§482.41 Condition of Participation: Physical Environment

The hospital must be constructed, arranged, and maintained to ensure the safety of the patient, and to provide facilities for diagnosis and treatment and for special hospital services appropriate to the needs of the community.

**CoP Standard** Tag Corresponds to **Deficiency** §482.41(b)(1)(i) A-0710 HAP - LS.02.01.10/EP3, EP5, Standard LS.02.01.30/EP11

#### 199

#### **The Joint Commission Findings**

Chapter:

Life Safety

Program:

Hospital Accreditation

Standard:

LS.02.01.10

**Standard Text:** 

Building and fire protection features are designed and maintained to

minimize the effects of fire, smoke, and heat.

Primary Priority Focus Area: Physical Environment

Element(s) of Performance:

3. Walls that are fire rated for 2 hours (such as common walls between buildings and occupancy separation walls within buildings) extend from the floor slab to the floor or roof slab above and extend from exterior wall to exterior wall. (For full text and any exceptions, refer to NFPA 101-2000: 8.2.2.2)



Scoring

Category:

Score:

Insufficient Compliance

Doors required to be fire rated have functioning hardware, including positive latching devices and self-closing or automatic-closing devices. Gaps between meeting edges of door pairs are no more than 1/8 inch wide, and undercuts are no larger than 3/4 inch. (See also LS.02.01.30, EP 2; LS.02.01.34, EP 2) (For full text and any exceptions, refer to NFPA 101-2000: 8.2.3.2.3.1, 8.2.3.2.1 and NFPA 80-1999: 2-4.4.3, 2-3.1.7, and 1-11.4)



Scoring

Category:

Score:

Insufficient Compliance

Observation(s):

# The Joint Commission Findings

#### EP 3

§482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal\_register/code\_of\_federal\_regulations/ibr\_locations.html.

Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes.

This Standard is NOT MET as evidenced by:

Observed in Building Tour at TriStar Horizon Medical Center (111 Highway 70 East, Dickson, TN) site for the Hospital deemed service.

During the life safety building tour and validated in a discussion with the plant operations manager, the surveyor noted that on the 3rd floor the Heart Center was defined as being in a healthcare occupancy. The walls surrounding the Heart Center were rated as 1 hour fire walls instead of the required 2 hour rated fire walls. Healthcare occupancies are required to be separated from business occupancies by walls rated at least 2 hours. Also on the 3rd floor two of the three stairwells exited from the healthcare occupancy through stairwells located in business occupancies. Exits from healthcare occupancy through business occupancy is not permitted.

On the 2nd level one of the exits from the healthcare occupancy was through a stairwell located in the west pavilion which was rated as a business occupancy. The west pavilion was separated from the healthcare occupancy by a 2 hour rated fire wall, however, the stairwell was located about 10 feet beyond the 2 hour rated fire wall within the business occupancy. Exits from healthcare occupancy through business occupancy is not permitted.

On the 1st level an exit sign directed occupants to exit through the 2 sets of 90 minute rated double doors at the 2 hour fire wall separation from the laboratory/radiology corridor into the west pavilion. The west pavilion was classified as a business occupancy and the the laboratory/radiology corridor was within the healthcare occupancy. Exits from healthcare occupancy through business occupancy is not permitted.

#### EP 5

§482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal\_register/code\_of\_federal\_regulations/ibr\_locations.html.

Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes.

This Standard is NOT MET as evidenced by:

Observed in Building Tour at Horizon Medical Center (111 Highway 70 East, Dickson, TN) site for the Hospital deemed service.

During the life safety building tour and validated in a discussion with the plant operations manager, the surveyor noted that on the 1st floor in the corridor near the ICU entrance, 1 of the 2 fire rated doors in the 2 hour separation did not have a fire rating label installed on the door. The door did have a label, however, the label did not rate the door. The label had the following verbiage: "This door is similar to a labeled fire retardant door in all construction features-But does not bear the label because of size".

Observed in Building Tour at TriStar Horizon Medical Center (111 Highway 70 East, Dickson, TN) site for the Hospital deemed service.

During the life safety building tour and validated in a discussion with the plant operations manager, the surveyor noted that on the 1st floor at the 2 hour separation in the lobby of the East Pavilion, 1 of the 2 fire rated doors did

Organization Identification Number: 7826

# **Findings**

not have a working self-closing device. The self-closing device had been disconnected and did not close the door.

Observed in Building Tour at Horizon Medical Center (111 Highway 70 East, Dickson, TN) site for the Hospital deemed service.

During the life safety building tour and validated in a discussion with the plant operations manager, the surveyor noted that on the 1st floor at the 2 hour separation into the emergency department overflow area, the fire doors did not close completely. One of the doors was rubbing on the other door and did not completely close and latch.

Chapter:

Life Safety

Program:

**Hospital Accreditation** 

Standard:

LS.02.01.30

**Standard Text:** 

The hospital provides and maintains building features to protect individuals

from the hazards of fire and smoke.

Primary Priority Focus Area: Physical Environment

**Element(s) of Performance:** 

11. Corridor doors are fitted with positive latching hardware, are arranged to restrict the movement of smoke, and are hinged so that they swing. The gap between meeting edges of door pairs is no wider than 1/8 inch, and undercuts are no larger than 1 inch. Roller latches are not acceptable.

Note: For existing doors, it is acceptable to use a device that keeps the door closed when a force of 5 foot-pounds are applied to the edge of the door. (For full text and any exceptions, refer to NFPA 101-2000:

18/19.3.6.3.2, 18/19.3.6.3.1, and 7.2.1.4.1)

Scoring

Category:

Score:

Partial Compliance

Observation(s):

Organization Identification Number: 7826

Page 6 of 8

## The Joint Commission **Findings**

#### EP 11

§482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal\_register/code\_of\_federal\_regulations/ibr\_locations.html.

Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes.

This Standard is NOT MET as evidenced by:

Observed in Building Tour at TriStar Horizon Medical Center (111 Highway 70 East, Dickson, TN) site for the Hospital deemed service.

During the life safety building tour and validated in a discussion with the plant operations manager, the surveyor noted that on the 3rd level the double doors at the entrance to the Heart Center suite did not have positive latching hardware. The area was sprinklered but the doors to the suite are considered to be corridor doors and all corridor doors are to be fitted with positive latching hardware.

Observed in Building Tour at TriStar Horizon Medical Center (111 Highway 70 East, Dickson, TN) site for the Hospital deemed service.

During the life safety building tour and validated in a discussion with the plant operations manager, the surveyor noted that inside of the surgery department the door to the female locker room had 2 holes. The holes in the door did not resist the passage of smoke.

Chapter:

**Medication Management** 

**Program:** 

**Hospital Accreditation** 

Standard:

MM.04.01.01

**Standard Text:** 

Medication orders are clear and accurate.

Primary Priority Focus Area: Medication Management

**Element(s) of Performance:** 

13. The hospital implements its policies for medication orders.



Scoring

Category:

Score:

**Partial Compliance** 

#### Observation(s):

**EP 13** 

Observed in Tracer Activities at Horizon Medical Center (111 Highway 70 East, Dickson, TN) site. Organization policies require that a pharmacist clarify all occurrences of therapeutic duplication. While tracing a patient, it was notes that a practitioner ordered two medications for the same indication, but the orders were not clarified before the medications were dispensed.

Observed in Tracer Activities at TriStar Horizon Medical Center (111 Highway 70 East, Dickson, TN) site. During tracer activity, it was noted that a practitioner ordered multiple medications for the same indications without guidelines as to which to use first. The orders were not clarified before dispensing as required by organization policy.

#### 203

# The Joint Commission Findings

Chapter:

Record of Care, Treatment, and Services

Program:

Hospital Accreditation

Standard:

RC.01.01.01

ESC 60 days

**Standard Text:** 

The hospital maintains complete and accurate medical records for each

individual patient.

Primary Priority Focus Area: Information Management

**Element(s) of Performance:** 

19. For hospitals that use Joint Commission accreditation for deemed status purposes: All entries in the medical record, including all orders, are timed.



**Scoring** 

Category:

C

Score:

Insufficient Compliance

#### Observation(s):

EP 19

§482.24(c)(1) - (A-0450) - (1) All patient medical record entries must be legible, complete, dated, timed, and authenticated in written or electronic form by the person responsible for providing or evaluating the service provided, consistent with hospital policies and procedures.

This Standard is NOT MET as evidenced by:

Observed in Individual Tracer at Natchez Imaging and Cancer Center (2371 Highway 46, Dickson, TN) site for the Hospital deemed service.

While reviewing a medical record at the outpatient Cancer Center, it was noted that the physician's order was not timed.

Observed in Individual Tracer at Natchez Imaging and Cancer Center (2371 Highway 46, Dickson, TN) site for the Hospital deemed service.

In the same record reviewed at the Cancer Center, the nurses admission assessment was dated but not timed.

Observed in Individual Tracer at TriStar Horizon Medical Center (111 Highway 70 East, Dickson, TN) site for the Hospital deemed service.

The post-anesthesia evaluation reviewed in the record of a patient who had undergone a cesarean section was not timed.

Observed in Tracer Activities at TriStar Horizon Medical Center (111 Highway 70 East, Dickson, TN) site for the Hospital deemed service.

During tracer activity, it was noted that a practitioner countersigned two entries by a PA, but did not time or date his countersignature.

SUPPORT LETTERS



# THREE RIVERS HOSPITAL

451 Highway 13 South • Waverly, Tennessee 37185-2909 931-296-4203 • Fax: 931-296-1013

October 2, 2015

Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Bldg, 9<sup>th</sup> Floor Nashville, Tennessee 37243

To Whom It May Concern,

I understand TriStar Horizon Medical Center has plans to develop a neonatal intensive care unit and I want to express my support for these efforts.

As a hospital CEO in a rural community, I understand the importance of taking care of patients close to home. TriStar Horizon offers the only OB program West of Nashville between Nashville and Jackson. For adjacent counties and communities like mine in Humphreys County, it is critical that a nearby hospital provide services that we do not offer, like obstetrics.

Women in active labor traveling from Humphreys County all the way to Nashville, over an hour, poses additional risks. Supporting the obstetrics program and NICU at Horizon is critical for the patients in our community.

Thank you for your support

Frieda B. Russell

Sincerely,

Freda B. Russell, RN

CEO/CNO



October 14, 2015

Tennessee Health Services and Development Agency 502 Deadrick Street Andrew Jackson Bidg., 9<sup>th</sup> Floor Nashville, TN 37243

To Whom It May Concern:

I am writing to express my support for TriStar Horizon Medical Center's plans to develop a neonatal intensive care unit.

As Mayor of the fastest growing community in Dickson County, I understand the importance of a great hospital. TriStar Horizon has served our community for many years but with the growing population comes a need for more advanced healthcare services.

Many of the services offered at TriStar Horizon, including labor and delivery, represent the only access point for a large geographic area. In fact, TriStar Horizon's labor & delivery unit represents the only birthing center between Nashville and Jackson, a 140 mile stretch.

Developing a neonatal intensive care unit will provide needed healthcare services for a large geographic region and keep mothers and babies together, rather than babies being transferred to Nashville.

Thank you and we ask for your support of TriStar Horizon's efforts.

Sincerely.

Mayor Linda Hayes
Town of White Bluff



October 14, 2015

Tennessee Health Services and Development Agency 502 Deadrick Street, Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

#### Dear Sir or Madam:

My name is Jeff Martin and I serve my hometown community of White Bluff, TN as Projects Administrator. I also have the honor to serve on the Board of Trustees of my local hospital, TriStar Horizon Medical Center. Through our Board's activities, I have become aware of Horizon's desires to develop a neonatal intensive care unit, and I would like to express my support for these efforts.

Great communities need great hospitals and TriStar Horizon has been a great hospital for our community for many years. As we grow, hospital services should keep pace and I am proud of the vision and efforts by Horizon leadership to service our region by providing advanced healthcare services as needed.

Many of the services offered at TriStar Horizon, Including labor and delivery, represent the only access point for a large geographic area. In fact, TriStar Horizon's labor & delivery unit represents the only birthing center between Nashville and Jackson, a 140 mile stretch.

Developing a NICU will provide much needed healthcare services for a large geographic region and keep mothers and babies together, rather than babies being transferred to Nashville.

Thank you for your support of TriStar Horizon Medical Center's efforts.

Sincerely

leffrey S. Martin

Projects Administrator

Town of White Bluff

October 29, 2015 3:45 pm

# DSG Development Support Group

October 29, 2015

Jeff Grimm, HSD Examiner
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9<sup>th</sup> Floor
502 Deaderick Street
Nashville, TN 37243

RE:

CON Application #1510-047

Horizon Medical Center NICU

Dear Mr. Grimm:

This letter responds to your recent request for additional information on this application. The items below are numbered to correspond to your questions. They are provided in triplicate, with affidavit.

1. Section A, Applicant Profile, Item 6

Please provide a title or deed documenting legal interest in the site - the document appears to be missing from the attachments.

The deed is attached at the end of this letter.

2. Section B Project Description, Item I 9 (Executive Summary Description).

a. Need - If there was an infant at nearby hospitals in the applicant's proposed NICU service area such as Houston County Community Hospital in Erin, TN with BlueCare Network S insurance in need of Level II-B Neonatal Intensive Care Services, would the applicant be able to admit the infant to the proposed neonatal unit for services (absent Federal Emergency Medical Treatment and Labor Act Requirements)? If not, where would the infant be referred for treatment that would reimburse under BlueCare Network S insurance?

Yes, Horizon will admit those infants. Horizon accepts BCBST Network S insurance for any transfers into the hospital--which will include NICU--and any ER patients needing admission.

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b. Have any of the 51 Level II transfers to Centennial Medical Center (CMC) in 2015 year to date, involved referrals by Horizon to CMC of infants covered under Blue Care Network S insurance? Please discuss.

None of the transfers from Horizon to CMC in that time period was an infant in the Network S program.

c. Existing Resources- in addition to the existing hospital NICU units east of Dickson, please include a brief overview of resources available through the Tennessee Department of Health's designated Middle Tennessee Perinatal Region.

Tennessee Code Annotated 68-1-802 (passed in 1974) directed the Department of Health to develop a plan to establish a program for the diagnosis and treatment of certain life-threatening conditions in the perinatal period. The program was to develop a regionalized system of care, including highly specialized personnel, equipment, and techniques to decrease the State's high infant mortality rate and life-long disabilities in surviving newborns.

The regionalization system in Tennessee serves our state by providing the necessary statewide infrastructure for high-risk perinatal care. It addresses the needs of the State's pregnant women and infants. The regionalization system is a key component in the State's capacity to improve birth outcomes, especially infant mortality.

Five Regional Perinatal Center hospitals were designated across the State, to make the highest levels of specialized care available by providing a statewide mechanism to health care providers for consultation and referral of high risk patients; transport of these patients, if necessary; personnel skilled in high risk perinatal care; post-graduate education for physicians, nurses, and other medical personnel; and site visits to local hospitals. The designated center for the 37-county Middle Tennessee Perinatal Region is at Vanderbilt University Medical Center.

More broadly, since the 1970s, the Perinatal Advisory Committee, established by statute as an expert advisory group to the Department of Health, has been responsible for the development and revision of manuals related to "best practice" guidelines for perinatal care in Tennessee. The Perinatal Advisory Committee is composed of 21 members including Regional Perinatal Center directors, experts in perinatal medicine, hospital administrators, nurses and physicians, and provides advice and direction to the Department of Health.

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Using the national Guidelines from the American Academy of Pediatrics and the American College of Obstetricians and Gynecologists, work groups of health care providers from across the State have issued, reviewed, and periodically revised and updated Guidelines for Regionalization, Hospital Care Levels, Staffing and Facilities, which are included in this CON application with descriptions of Horizon's compliance with those Guidelines. The Committee has also issues Guidelines manuals for Transportation (Neonates and Mothers) and for Educational Objectives for Nurses and Social Workers who serve in the perinatal care programs of Tennessee. As part of the CON review process, members of the Perinatal Advisory Committee will review this application, and will comment on it to the Department of Health, which in turn will include that information in its staff report to the HSDA in the CON review process.

3. Section B, Project Description, Item II (c).

The table of Distance of one way drive times from the service area to the closest NICU destinations on page 26 of the application is noted. For Hickman County residents, it appears the drive times are about the same within 1 hour to Maury Regional Medical Center's existing 8 bed Level IIB NICU and the applicant's proposed Level IIB NICU. Also, the drive times of residents from the county to fully equipped tertiary hospitals in Davidson County that contain the continuum of neonatal care appear to range from 63-68 minutes. Please clarify why someone from Hickman County would go the to the proposed Horizon neonatal level II-B nursery in Dickson County for the same Level II service as Maury county or the tertiary hospitals in Davidson County in case more acute symptoms arise? Would this not avoid an unnecessary possibly high risk transport?

Please see related Table Five-B on page 27 for the answer. The application's stated primary service area, throughout the application, does not include all of Hickman County. It includes only zip code 37025 in northern Hickman County. The round trip times from that zip code to all other NICU's in the table are by far the quickest. Other parts of Hickman County are excluded from the projects service area for the reasons cited in your question.

The application narrative above Table Five-A should have been stated more clearly; Five-A shows the drive times between entire affected counties (measured from their largest communities) and Level II facilities. It would have been better to show the one-way drive data from zip code 37025 in Five-A, as was done for round-trip times in Table Five-B. A revised page 26R is provided after this page, to correct that.

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4. Section C. Need, Item 1 (Specific Review Criteria: NICU-(5)

a. The response indicating compliance with existing Perinatal Care System Guidelines is noted. In terms of physician direction and staffing by Dr. Ismail and the neonatal nurse practitioners of Pediatrix, is there an existing contract, letter of intent or draft operating agreement that documents the responsibilities of the parties for the proposed service? Please clarify.

The hospital has a professional services agreement with Pediatrix. Copies of relevant pages of the agreement are provided following this page. Pediatrix must provide 24/7 Neonatal Nurse Practitioner ("NNP") coverage, including daily on-site presence. To provide 24/7 coverage, the NNP's are required to be in the community, immediately available (within 30 minutes) to respond to the needs of the hospital/infants. An NNP is currently present for every birth, and is present in the Horizon nursery every day for some period of time. Their duties are spelled out in the agreement. As required by law and hospital bylaws, the NNP's are supervised by Pediatrix neonatologists.

Dr. Ismail, a pediatrix nenonatologist, serves as the Medical Director for the nursery program. His duties are administrative in nature and are set forth in the professional services agreement. He is also responsible for supervision of the NNP's, which is shared with other Pediatrix neonatologists.

If NICU designation is awarded, the neonatology professional services, both physician and NNP, will continue and be modified, as necessary, to ensure they are in compliance with the Perinatal Guidelines.

# b. How will Dr. Ismail's time be split between Horizon and Centennial Medical Center?

Dr. Ismail will be one of eleven to twelve Board-certified neonatologists who will rotate daily through the Horizon NICU. The Pediatrix organization schedules their assignments to each of the several NICU's that Pediatrix covers.

c. It appears the hospital currently utilizes neonatal nurse practitioners of Pediatrix. Please provide license verification for NNPs the applicant plans to utilize for the proposed unit at this time.

Their names and licensure verification are provided at the end of this response letter. While those living near Dickson will be used routinely, others may fill in for them as needed.

3:45 pm LENCE AGREEMEN LEVEL I NULSELY

PROFESSIONAL SERVICES AGREEMENT ADDENDUM MEDICAL DIRECTOR - OPEN STAFF (HCA-527PED Rev 8/2010/PEDIATRIX) CONTRACT HRZMC-79905, SUPPLEMENT 0

This Addendum is attached to, made a part of and executed simultaneously with that certain Professional Services Agreement between the undersigned.

#### 1. Operation of the Service

- A. Contractor shall supervise the professional operations of the Service. Those supervisory duties shall be discharged through the Medical Director designated below.
- B. Contractor's Representatives shall be permitted to participate in the activities of the Service in the same manner, and subject to the same conditions, as other practitioners holding membership or privileges in the Service. In addition it is agreed:
  - i. Contractor's Representatives shall prepare timely, complete and accurate medical records in accordance with the policies and procedures of Facility and all professional standards applicable to medical records documentation. All of such records shall be and remain the property of Facility. Contractor and each Contractor's Representative shall have access to those records created by the respective Contractor's Representative as may be necessary for the continuing care of the patient and as otherwise permitted by law.
  - ii. Contractor's Representatives shall participate actively in the affairs of the Medical Staff, including, without limitation, serving on committees and discharging such other obligations as may be requested by the Medical Staff, Governing Body or any duly appointed officer or committee thereof.
- C. Contractor agrees that, as requested by Facility, Contractor shall negotiate in good faith for participation by Contractor and any Contractor's Representative designated by Facility in such programs and/or networks in which Facility may participate with health maintenance organizations, preferred provider organizations, other payors, and physician-hospital organizations. Facility agrees to assist Contractor in negotiating terms of participation.
- D. Contractor shall conform to any and all lawful directives issued from time to time by Facility's Chief Executive Officer provided that such directives are consistent with the scope and principles of this Agreement.
- E. All patient records prepared and developed by Contractor and maintained by Facility or documents created by Contractor at Facility's request as part of the Services for the purpose of documenting clinical diagnosis, treatment, and outcome will be the property of Facility.

#### 2. Director of Service

- M. Sami Ismail, MD shall serve as Director of the Service and perform the following undertakings:
- A. Participate as requested in the administrative functions as necessary to ensure the effective and efficient management of the Service.
- B. Participate as requested in Facility's plans and programs adopted to assess and improve the quality and efficiency of Facility's services, including, but not limited to, quality assessment and improvement, utilization review, risk management, and infection control.
- C. Provide such supervision, management and oversight to the Service to assure that the professional services rendered meet or exceed accepted standards of care.
- D. Participate as requested in the long range planning of Facility, including, but not limited to, equipment selection, budgeting, and staffing.
- E. Support the Facility's medical education and employee inservice programs at the Facility, and develop such educational programs for said programs as the Facility shall reasonably request.
- F. Cooperate with Facility regarding administrative, operational or personnel problems in the Service and promptly inform Facility and appropriate Medical Staff committees of professional problems in the Service in accordance with Medical Staff bylaws, rules and regulations and Facility policy.

#### October 29, 2015

- G. Assist Facility in obtaining and maintaining accreditation and all licenses, permits and office putporizations, plus achieving all accreditation standards which are dependent upon, or applicable to, in whole or in part, the manner in which the Service is conducted.
- H. Assure the maintenance of accurate, complete and timely patient and other records regarding the Service in order to facilitate the delivery of quality patient care and provide the information required for Facility to obtain payment for its Services.
- I. With the assistance of Facility staff, provide the Facility's Chief Executive Officer or his designee with all requested written reports, including reports that may be addressed in performance review standards or other documents.
- J. Supervise Neonatal Nurse Practitioners in accordance with State and other applicable standards.

#### 3. Facilities and Services Provided by Facility

- A. Facility shall provide on the Facility premises the space designated by the Facility for the Service, plus any expendable supplies, equipment, and services necessary for the proper operation of the Service. The minimum services to be provided by the Facility are janitor, standard facility telephone, laundry, and utilities.
- B. Facility shall employ sufficient non-physician personnel as it deems necessary for the proper operation of the Service. All such non-physician personnel shall be recruited and paid by Facility. Facility will have administrative and executive control over the non-physician personnel provided by the Facility, including the sole right to determine the hours of work, discipline and termination of such personnel. The Director of the Service shall direct and supervise the technical work and services of such personnel. The parties agree that the staffing level of non-physician personnel currently available is presently sufficient for the extent of present operations. Contractor will notify Facility of any failure on the part of such non-physician personnel to perform properly their assigned duties. Contractor recognizes the special nature of the relationship that exists between Facility and its personnel in that the recruiting and training of such personnel by Facility is costly and time consuming and, therefore, Contractor agrees that Contractor will not, during the term of this Agreement directly or indirectly through any means or manner, impair or initiate any attempt to impair the relationship which exists between Facility and the personnel employed or retained by Facility, or employ or contract with such personnel.
- C. The obligations of Facility under this Section shall be subject to Facility regulatory and budget restraints.

#### 4. Description of Duties

- A. In House and On-Call Schedule Requirements: Contractor will provide neonatal nurse practioner coverage 24 hours per day, 7 days per week as set forth herein. Contractor will provide in-house neonatal nurse practitioner coverage an average of four (4) hours per day, seven days per week. Contractor will provide on-call neonatal nurse practitioner coverage for all other hours not set forth above.
- B. Position Description: The purpose of the neonatal Nurse Practitioner job description is to define the duties and set requirements for filling the position according the the parameters set by Contractor.
- C. Requirements: Each Neonatal Nurse Practitioner shall provide, upon request, proof of certification or successful completion of qualified programs as neonatal nurse practitioner. Advanced practice RN license, NCC Certification.
- D. Positional Goal: To provide excellence in care of the ill neonate and their family to promote porfessionalism in the role of practitioner care provided through education, team participation, quality performance support and parcipitation, and pursuit of furthering individual knowledge base.

#### E. Functions of the Neonatal Nurse Practitioner:

- i. Obtain and document a complete patient health history, to include all obstetrical, family, and psychosocial aspects.
- ii. Perform a complete newborn physical exam, determine gestational age and document all clinical findings.
- iii. Develop a patient problem list, identify and prioritize problems based on physical findings and other information.
- iv. In colloboration with the attending neonatologist, develop and implement a plan of care from the problem list and evaluate patient status.
- v. record assessement data, plans of care and evaluation of the care in the medical record,
- vi. Participate in patient care rounds.

- vii. Assess the perinatal family and make appropriate referrals, in collobration with the attending neonatologist, based on the identification of risk factors.
- viii. Attend high-risk deliveries and emergency situations when requested by a physician.
- ix. Provide information and education to the parents concerning infant's status by such means as parent conferences, bedside teaching, and telephone communication.

## F. Clinical Practice Protocols and Schedules:

- Clinical Practice Protocol, as outlined in the following section must be consistent with written unit policies approved yearly by the medical director. Approved policies will comply with the allied health priviledges of the advanced practitioner as well as the state licensing authority.
- ii. Initiate and/or administer the following measures in accordance withthe plan of care developed with the supervising physician.
  - a. Fluid and Nutrition in accordance with the patient's health problems.
  - b. Environment control (radiant warmer, isolette, and bassinet) in accordance's with patient's health care problems.
  - c. Assist with the management of respiratory, cardiac, gastrointestional, nuerological, renal, hematological, and immunological and other pathological entities of the neonate.
  - Assist with the management of Sepsis or suspected Sepsis.
  - e. Assist with the managment of surgical patients.
- iii. Inititate and/ or administer the following in accordance with the plan of care developed with the supervising physician:
  - a. Antibiotic Therapy
  - b. Emergency Drugs
  - c. IV Fluids and Electrolyte Therapy
  - d. Other drugs as medically necessary
  - e. Initiate and render the following measures as per credentials upon the direction of the supervising physician and in accordance with policies and procedures approved by the medical director.
  - f. Insertion of umbilical arterial Catheters/ umbilical venous catheters
  - g. Thoracentesis or insertion of chest tubes in life-threatening situations
  - h. Percutaneous Venous Catheter Insertions
  - i. Lumbar punctures
  - j. Suprapubic taps
  - k. Endotracheal Intubations
  - 1. Arterial punctures
  - m. Venipunctures
  - n. Ventricular Resevoir Taps
  - o. Exchange Transfusions
  - p. Stabilization of infants in the delivery room
  - q. PIV Placement
  - r. Circumcision

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- s. Frenulum Incision
- t. Hearing Screen
- u. Other diagnostic data, including lab tests, x-rays, and other tests as indicated
- v. Attend high risk neonatal transports as requested by supervising
- w. Participate in discharge planning

#### 5. No Employment

A. Facility covenants that during the term of this Agreement, any renewals thereof and for a period of two (2) years thereafter neither it, nor any subsidiary of Facility, will employ or otherwise engage any Contractor's Representative that has been employed or otherwise engaged by Contractor or introduced by Contractor to Facility, or in any manner seek to induce such persons to leave his or her employment or terminate his or her employment relationship with Contactor (including without limitation for or on behalf of a subsequent employer of the Contractor's Representative).

PER FACILITY POLICY LL.001, GENERAL STATEMENTS ON AGREEMENTS WITH REFERRAL SOURCES, APPROVAL PROCESS, ET.SEQ., PAYMENTS PURSUANT TO THIS AGREEMENT, IF ANY, WILL BE MADE ONLY FOR SERVICES PERFORMED AFTER THE AGREEMENT HAS BEEN SIGNED BY BOTH THE CONTRACTOR AND THE FACILITY UNLESS OTHERWISE APPROVED BY FACILITY'S LEGAL OPERATIONS COUNSEL. SERVICES PERFORMED PRIOR TO THIS DATE WILL NOT BE COMPENSATED, UNLESS OTHERWISE APPROVED BY FACILITY'S LEGAL OPERATIONS COUNSEL.

IN WITNESS WHEREOF, Facility and Contractor have duly executed this Addendum as of the dates set out beneath their respective signatures.

#### **CONTRACTOR:**

Pediatrix Medical Group of Tennessee, P.C.

FACILITY:

Central Tennessee Hospital Corporation d/b/a TriStar Horizon Medical Center

By:

/S/John Marshall

Facility Chief Executive Officer

Dated: July 9, 2014

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d. In addition to Dr. Ismail's qualifications and resume in the attachments, there are also resumes for Dr. Michael Hawkins and Dr. Erin Stedil. Please briefly discuss the responsibilities/roles these physicians will have with the applicant's proposed NICU unit.

Dr. Michael Hawkins, board certified OB/GYN, is the Division Chief of Maternal/Child Care at TriStar Horizon Medical Center. Dr. Erin Steidl, Doctor of Osteopathy, works with Dr. Hawkins at the Women's Health Center, PLLC. Both physicians are supportive of the proposed NICU unit to allow continuation of their dedication to family centered care and supporting non-separation of mother and baby.

e. Who provides the actual neonatal transport service at present and in what way might this service change if the proposed Level IIB NICU beds receive CON approval? In your response, please also address the availability of air transport.

Horizon has a transfer agreement with Centennial Medical Center. Centennial operates its own regional transport system, with its own EMS vehicle. The team leaves Centennial within an hour of request, picks up the newborn at Horizon, and manages its care during transport to the Centennial NICU. Implementation of the NICU will not require any change in this arrangement. Air ambulance service, if required, is provided by Vanderbilt LifeFlight helicopters.

f. Please provide the types of pediatric sub-specialties that will be available to support the proposed NICU.

Pediatric subspecialties other than neonatologists are required for Level III NICU's. Such subspecialists available to the TriStar Horizon NICU routinely will be medical staff of Centennial Women's and Children's Hospital. Currently, they include the following pediatric specialties and subspecialties: anesthesia, cardiology, critical care, endocrinology, gastroenterology, hematology-oncology, neonatology, neurology, surgery, plastic surgery, urology, and ophthalmology,

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g. Is there a pool of other board certified neonatologists that will be available to care for Level IIB infants? If possible, please provide a copy of their Tennessee license and licensure profile.

At the current time, Pediatrix Medical Group has a contract with Dr. Nester Ojeda, pediatrician, who routinely sees all well newborns admitted at TriStar Horizon Medical Center. Pediatrix Medical Group employs several neonatologists who will be available to rotate daily through the NICU to make rounds on its infants. Their names and licensure data are attached at the end of this letter.

h. Please clarify if radiology services will be available 24 hours a day including the capability to perform portable radiological studies in the nursery.

Yes, radiology services are available 24 hours a day including the capability to perform portable radiological studies in the nursery.

i. With respect to the responses to the Perinatal Guidelines provided for this standard, Item A.4 on page 41 appears to indicate that high risk deliveries are currently taking place at the hospital with 2 RNs and an NNP attending all high risk deliveries. Why are high risk deliveries occurring at the hospital? Is the hospital admitting high risk females in lieu of coordinating referrals to hospitals with existing Level IIB — III NICU units in Davidson County? Please clarify.

No, TriStar Horizon Medical Center is not admitting high risk females in lieu of coordinating referrals to hospitals with existing Level II-III NICU's in Davidson County.

IN CY2015 year to date, TriStar Horizon Medical Center has transferred 22 women to higher level of care facilities in Davidson County for diagnoses ranging from preterm labor, premature rupture of membranes, preeclampsia, to cholelithiasis (gallstones) requiring surgical intervention.

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Unfortunately, there are times when a high risk patient presents to TriStar Horizon Medical Center and transport is not a viable option—for example, when a woman presents in preterm labor with advanced dilatation, which would pose a high risk for transport due to the possibility of the infant delivering while en route to a higher level of care facility. In such cases, TriStar Horizon Medical Center follows the Tennessee Perinatal Care System Guidelines for Regionalization, Hospital Care Level, Staffing and Facilities by delivering the preterm patient who is not stable for transport and by stabilizing newborn infant until transfer to a higher level of care facility.

There are also instances when the patient's obstetrician requests the presence of the neonatal nurse practitioner (NNP) to attend a delivery. These may include patients who present with preterm labor, meconium amniotic fluid, or possible fetal compromise.

5. Section C, Need, Item 5

The utilization of existing hospitals with Level IIB — III NICU beds is noted. Based on the applicant's relationship through common ownership to Hendersonville Medical Center, please provide a project status update for the 6-bed Level IIB NICU unit approved in its application, CN1302-002A.

That NICU project is still under construction, with an estimated opening date at the end of January, 2016.

6. Section C, Need, Item 6

As a complement or addition to Table 9-B on page 59, please provide the number of transfers by Horizon year to date in 2015 to other hospitals with Level IIB — III beds with identification of medical reason e.g. low birth weight, very low birth weight, premature, etc.

Please see the following page for a complete listing of such transfers YTD2015.

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3:45 pm

2015 Neonatal Transfers from TriStar Horizon Medical Center to Higher Level of Care Facility

#### January

- · Respiratory Distress, Hypoglycemia
- Neonatal Abstinence Syndrome, withdrawal treatment

#### February

- Prematurity, Hypoglycemia, Rule-out Sepsis
- Hypoglycemia
- Prematurity, Intra-Uterine Growth Restricted

#### March

- Prematurity, Respiratory Distress
- Prematurity, Respiratory Distress
- Hypoglycemia

#### April

- Respiratory Distress
- Bilateral Cleft lip & palate
- Neonatal Abstinence Syndrome
- Prematurity, Respiratory distress

#### May

- Prematurity, Respiratory Distress
- Respiratory Distress, Rule-out Sepsis
- Hypoglycemia
- Meconium Aspiration
- Epidermolysis Bullosa

#### June

- Hypoglycemia
- Hypoglycemia
- Hypoglycemia

#### July

- Hypoglycemia
- Prematurity, Respiratory Distress
- Persistent Vomiting for bowel evaluation
- Prematurity, Respiratory distress, Hypoglycemia, Rule-Out Neonatal Abstinence Syndrome
- Prematurity, Respiratory distress, Rule-out sepsis
- Respiratory distress, Meconium aspiration
- Prematurity, Respiratory distress
- Prematurity, Respiratory distress

October 29, 2015 3:45 pm

- resp
- Respiratory distress, Rule-out sepsis

#### August

- Hypoglycemia
- Hypoglycemia, Neonatal Abstinence Syndrome
- Hypoglycemia
- Prematurity, Intra-Uterine Growth Restricted
- Respiratory distress
- Prematurity, Hypoglycemia
- Prematurity, Respiratory distress
- Neonatal Abstinence Syndrome

#### September

- Respiratory distress, Hypoglycemia
- Rule-out malrotation and mid-gut volvulus
- Hypoglycemia
- Prematurity, Respiratory distress, Rule-out sepsis
- Rule-out sepsis
- Hypoglycemia
- Hypoglycemia

#### October

- Abdominal distention
- Hypoglycemia, Rule-out sepsis
- Prematurity, Respiratory distress

Page Eight October 29, 2015

7. Section C, Economic Feasibility, Item 2 (Funding)
Please provide a letter from the hospital CFO that confirms the availability

of cash reserves to support the project.

The funding will be provided by HCA, Inc. through TriStar Health System (the hospital's Division office); a TriStar funding letter was included in the Attachments to the application. If it is missing from your document, another copy is attached following this page.

8. Section C, Item 4 (Projected Data Chart)

The charts are noted. For the hospital as a whole Net Operating Income (NOI) is expected to improve from a loss of (\$3,124,197) in FY2014 to \$4,620,000 in FY2017. The projected favorable NOI performance from FY2014 to FY 2017 appears to be related to several factors, including a 13.8% increase in patient days and a 32.6% increase in gross operating revenue. Although total operating expenses of the hospital are also expected to increase (by approximately 18.8%), it is unclear how the hospital expects the financial performance to improve to this degree. Please explain the reasons for the significant improvement in the hospital's NOI as projected in FY2017.

TriStar Horizon is projecting net operating income of \$552,000 in CY2015 due to a 9% increase in admissions and a 19% increase in ER visits from the opening of the Natchez Emergency Department (its satellite on I-40) in June this year. The hospital projects net operating income of \$2,618,000 in CY2016 for two reasons.

First, a full year of operation of the satellite Natchez ED on I-40.

Second, the recruitment of two general surgeons in September and November of 2015. Horizon projects net operating income of \$4,620,000 in CY2017, in part due to moving to 24/7 availability in its cardiac catheterization laboratory, and also to recruitment of at least one additional cardiologist, two orthopedists, and Ob/Gyn, and a gastroenterologist--in addition to the NICU proposed in this application.

Page Nine October 29, 2015

9. Section C, Economic Feasibility, Item 5

The tables on page 74 reflecting the average gross charges, net charges and net income of the hospital and the proposed NICU are noted. In comparing to the Projected Data Charts for both the hospital and the proposed unit on pages 70 and 72, respectively, HSDA suggests that clarification be provided by changing the labels of the tables to reflect that Table 10-A applies to the Hospital with NICU and Table 10-B applies to the proposed NICU only.

Attached following this page is revised page 74R, with Table Ten-A relabeled to indicate that it includes NICU, and Table Ten-B relabeled to clarify that it is for the NICU only.

10. Section C, Orderly Development, Item 3

a. Direct patient care staffing of the proposed NICU by 9.0 full time equivalent (FTE) Registered Nurses, 2.2 FTE Respiratory Therapists and a 0.4 Pharmacist is noted. Are the RN and RT staffing ratios the same for all 3 shifts of the unit? Please clarify.

Yes, the RN and RT staffing ratio will remain the same each of these services will work 12 hour shifts. The RN ratio will be 1:2, and the RT ratio will be 1:6.

b. Given the applicant's contractual relationship with Pediatrix, please also identify the FTEs for direct patient care staffing by neonatal nurse practitioners of that organization.

There will be 24 hour 7 day per week coverage by the NNP's for the Level II NICU, as described in the response to question #4 above. The equivalent FTEs will be 4.2.

Page Ten October 29, 2015

c. Please also describe how the following positions will be accounted for in the proposed proposed NICU staffing plan: Board Certified Obstetrician, Board Certified Pediatrician, NICU Medical Director/Assistant Director, and a Nurse Manager.

Horizon's medical staff already has two Board Certified Obstetricians (a third is being recruited). Board Certified Pediatric coverage is already contracted and in place. The NICU Medical Director, Dr. Sami Ismael, is a Board Certified Neonatologist. The NICU Nurse Manager will be Kristin Thornberry, RN. The NICU is too small to require an Assistant Director.

#### Additional Items From the Applicant

Attached at the end of this letter are additional support letters for the project. With them, you should now have the following support letters on file. As others arrive we will submit them to your office.

- 1. Subhi Ali, MD, FACS, former HSDA Board member and former President of the Tennessee Medical Association;
  - 2. Donny J. Bear, Director of the Dickson County Emergency Medical Services;
- 3. Hon. David A. Shepard, Representative, District 69, Tennessee General Assembly;
- 4. Linda J. Frazier, Director of Finance and Business, Dickson County Board of Education;
  - 5. Bradley Barber, CEO, Decatur and Houston County Hospitals;
  - 6. Freeda Russel, CEO, Three Rivers Hospital;
  - 7. Mayor Linda Hayes, Town of White Bluff;

ohn Wellbom

8. Jeffrey Martin, Project Administrator, Town of White Bluff.

Thank you for your assistance. We hope this provides the information needed to accept the application into the next review cycle. If more is needed please email or telephone me so that we can respond in time to be deemed complete.

Respectfully,

ohn Wellborn Consultant

# SUPPLEMENTAL #1 October 29, 2015 3:45 pm

#### **AFFIDAVIT**

STATE OF TENNESSEE
COUNTY OF DAVIDSON

NAME OF FACILITY:
TRISTAN HOWESN NICH

I, JOHN WELLBORN, after first being duly sworn, state under oath that I am the lawful agent of the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete to the best of my knowledge.

Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 29th day of October, 2015, witness my hand at office in the County of DAVIDSON, State of Tennessee.

NOTARY PUBLIC

My commission expires July 2,

2018

HF-0043

Revised 7/02



Tellbon

October 29, 2015 3:45 pm

October 29, 2015

#### WAVERLY CLINIC, P. C.3:45 pm

806 EAST MAIN STREET - P.O. BOX 786 WAYERLY, TENNESSEE 37185-0786 PHONE (931) 296-7788 FAX (931) 296-7130

SUBHI D. ALI, M.D., F.A.C.S., F.I.C.S. GENERAL SURGERY ARTHUR W. WALKER, M.D. FAMILY PRACTICE

MAYSOON SHOCAIR-ALI, M.D., F.A.C.P.
INTERNAL MEDICINE & GASTROENTEROLOGY

October 27, 2015

Ms. Melanie Hill
Tennessee Health Services and Development Agency
502 Deaderick Street
Andrew Jackson Bldg, 9th Floor
Nashville, TN 37243

Dear Ms. Hill,

This letter is in support of the application of Horizon Medical Center-NICU CON.

I am fully aware of the problems related to the fact that rural Tennessee between Nashville and Jackson does not have a single NICU. The only obstetrics program remaining in that 140 miles rural stretch of Interstate 40 is at TriStar Horizon Medical Center which is the only regional Hospital in our area. All other obstetrics departments in the area that existed when we started Waverly Clinic in 1976 have since closed as a result of the many negative changes in rural health care.

A significant percentage of the babies born at Horizon are being transferred to larger hospitals in Nashville for a Level II NICU due to the demands of new protocols that can only be met by a NICU. That is not in the best interest of the mothers and their babies or the citizens of the State of Tennessee who reside in the aforementioned area.

I strongly endorse the CON supra without any reservations and feel that approving it is vital to the stability and advancement of obstetric care in a growing area with a large percentage of young reproducing adults. It is in the best interest of the health and welfare of the people who live in the State of Tennessee.

Respectfully yours,

Subhi D. Ali, MD, FACS

Former President,

Tennessee Medical Association

October 29, 2015

## DICKSON COUNTY AMBULANCE SERVICE 284 Cowan Rd.

Dickson, TN. 37055

Business Office: 615-446-1732 Office Fax: 615-446-8359 dhear@dicksoncountytn.gov

> Donny J. Bear DIRECTOR

October 14, 2015

Tennessee Health Services and Development Agency 502 Deadrick Street, Andrew Jackson Bldg., 9<sup>th</sup> Floor Nashville, TN 37243

To Whom It May Concern:

I understand TriStar Horizon Medical Center has plans to develop a neonatal intensive care unit, and I would like to express my support for these efforts.

As the Emergency Medical Service Director, I understand the importance of a great hospital. TriStar Horizon has served the community for many years but with the growing population in Dickson and surrounding counties, developing more advanced healthcare services is necessary.

Many of the services offered at TriStar Horizon, including labor and delivery, represent the only access point for a large geographic area. In fact, TriStar Horizon's labor & delivery unit represents the only birthing center between Nashville and Jackson, a 140 mile stretch.

Developing a NICU will provide needed healthcare services for a large geographic region and keep mothers and babies together, rather than babies being transferred to Nashville. Thank you for your support.

Sincerely,

Donny J. Bear

Director

Dickson County EMS



House District 69
rep.david.shepard@capitol.tn.gov
34 LEGISLATIVE PLAZA
NASHVILLE, TN 37243-0169
(615) 741-3513
1-800-449-8366, EXT 13513
FAX: (615) 253-0244



## House of Representatives

State of Tennessee

**NASHVILLE** 

October 19, 2015

#### **SUPPLEMENTAL #1**

October 29, 2015 3:45 pm MEMBER

INSURANCE AND BANKING COMMITTEE
SUB - INSURANCE AND BANKING COMMITTEE
LOCAL GOVERNMENT
ETHICS COMMITTEE

MEMBER JOINT SELECT COMMITTEE

FISCAL REVIEW

Tennessee Health Services and Development Agency Melanie M. Hill, Director Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

Dear Director Hill:

TriStar Horizon Medical Center has plans to develop a neonatal intensive care unit (NICU). By this letter, I offer my full support to their effort.

TriStar has served our community and the surrounding counties for many years. As the area has grown in population, TriStar's service and their commitment to offer more advanced healthcare has grown. Being a pharmacist, I understand the need and importance of having a fully functioning, excellent hospital in our area.

Many of the services offered at TriStar Horizon, including the labor and delivery unit, represent the only access point for a large geographic area. TriStar Horizon's labor and delivery unit is the only birthing center between Nashville and Jackson.

The development of a NICU will greatly enhance healthcare in this region. If a problem occurs at birth, keeping the mother and baby together at a crucial time is important. The baby will not have to be transferred to Nashville.

I appreciate your review and consideration of TriStar Horizon's application for the Certificate of Need for the neonatal intense care unit.

Sincerely,

David A. Shepard

Representative, District 69
109th Tennessee General Assembly

#### DICKSON COUNTY BOARD OF EDUCATION

Linda J. Frazier, Director of Finance/Business 817 North Charlotte Street Dickson, TN 37055 Phone 615-446-7571 – Fax 615-441-1375



October 29, 2015 3:45 pm



October 26, 2015

Tennessee Health Services and Development Agency 502 Deadrick Street, Andrew Jackson Bldg., 9<sup>th</sup> Floor Nashville, Tennessee 37243

To Whom It May Concern:

I understand TriStar Horizon Medical Center has plans to develop a neonatal intensive care unit, and I would like to express my support for these efforts.

As a community leader and having served as County Mayor, I understand the importance of a great hospital and know that the availability of a quality healthcare has gone a long way when new industry make the decision to come to Dickson County. TriStar Horizon has served the community for many years but with the growing population in Dickson and surrounding counties, developing more advanced healthcare services is necessary.

Many of the services offered at TriStar Horizon, including labor and delivery, represent the only access point for a large geographic area. In fact, TriStar Horizon's labor and delivery unit represents the only birthing center between Nashville and Jackson, a 140 mile stretch. Developing a NICU will provide needed healthcare services for a large geographic region and keep mothers and babies together, rather than babies being transferred to Nashville. I have personal knowledge of a family who chose to stay in Dickson for the birth of their fourth child only to have that baby need further medical attention which TriStar Horizon could not provide. The family then had to travel back and forth to Nashville, maintain a household consisting of three school age children and work duties of the father. The development of a NICU in Dickson County would help families in so many ways.

Thank you in advance for your consideration and support.

Best regards,

Linda J. Frazier

Director of Finance and Business

231

October 29, 2015 3:45 pm

October 1st, 2015

Tennessee Health Services and Development Agency

502 Deadrick Street, Andrew Jackson Bldg, 9th Floor

Nashville, TN 37243

To Whom It May Concern,

I understand TriStar Horizon Medical Center has plans to develop a neonatal intensive care unit and I want to express my support for these efforts.

As a hospital CEO in a rural community, I understand the importance of taking care of patients close to home. TriStar Horizon offers the only OB program West of Nashville between Nashville and Jackson. For adjacent counties and communities like mine in Houston and Decatur County, it is critical that a nearby hospital provide services that we do not offer, like obstetrics.

Women in active labor from Houston and Decatur County traveling all the way to Nashville, over an hour, poses additional risks. Supporting the obstetrics program and NICU at Horizon is critical for the patients in our community.

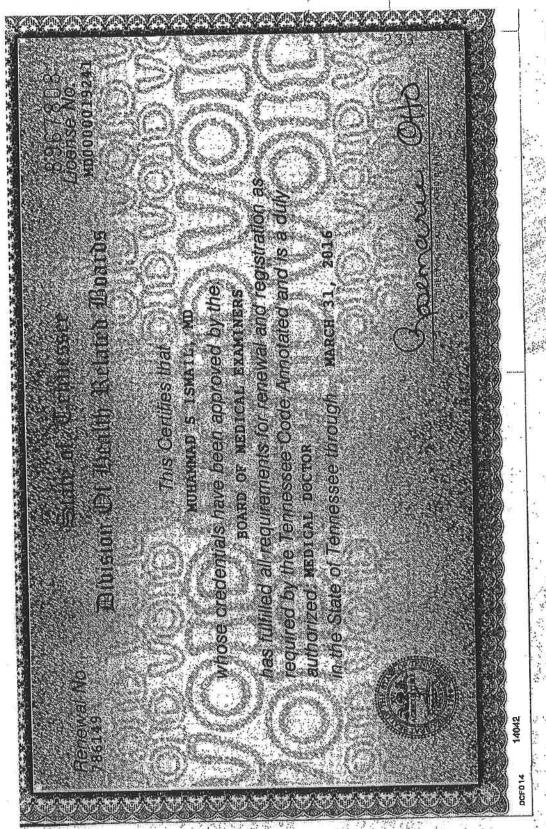
Thank you for your support

Sincerely,

**Bradley Scott Barber** 

Decatur and Houston Co. CEO

October 29, 2015 3:45 pm



October 29, 2015 3:45 pm Renewal No.

State of Deunesser

SUPPLEMENTAL #1

October 29 2075 200000017455

Bibision Of Bealth Related Boards pm

This Certifies that

SUSAN B CAMPBELL, MD

whose credentials have been approved by the:

BOARD OF MEDICAL EXAMINERS

has fulfilled all requirements for renewal and registration as required by the Tennessee Code Annotated and is a duly authorized. MEDICAL DOCTOR

In the State of Tennessee through... MARCH 31, 2017



Houriet La OHO

15037

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Renewal No.

Sinio of Eepinesset

SUPPLEMENTALE

October 290 2016 No. ME00000 36669

Division Of Bealth Related Boards

This Certities that

ASHRAF HOSNI M HAMDAN, MD

whose credentials have been approved by the:
BOARD OF MEDICAL EXAMINERS

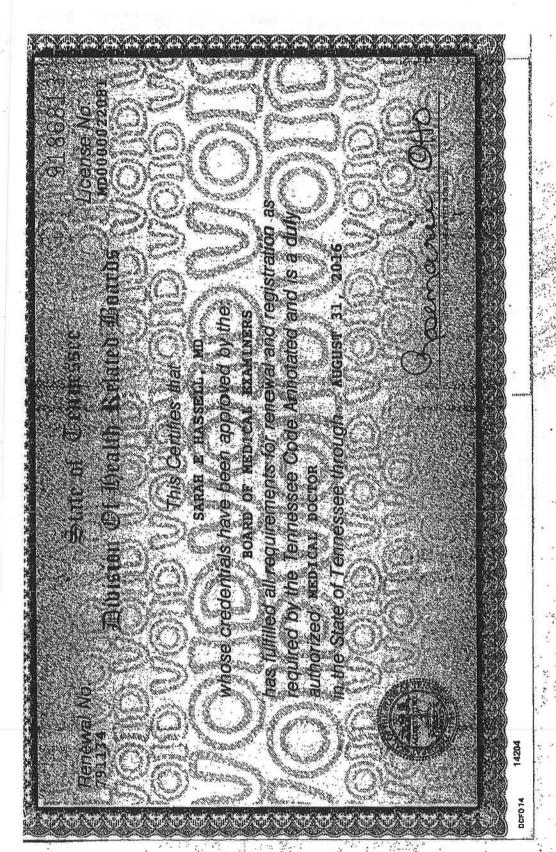
has fulfilled all requirements for renewal and registration as required by the Tennessee Code Annotated and is a duly authorized: MEDICAL DOCTOR

in the State of Tennessee through August 31, 2017

Grownanie Office

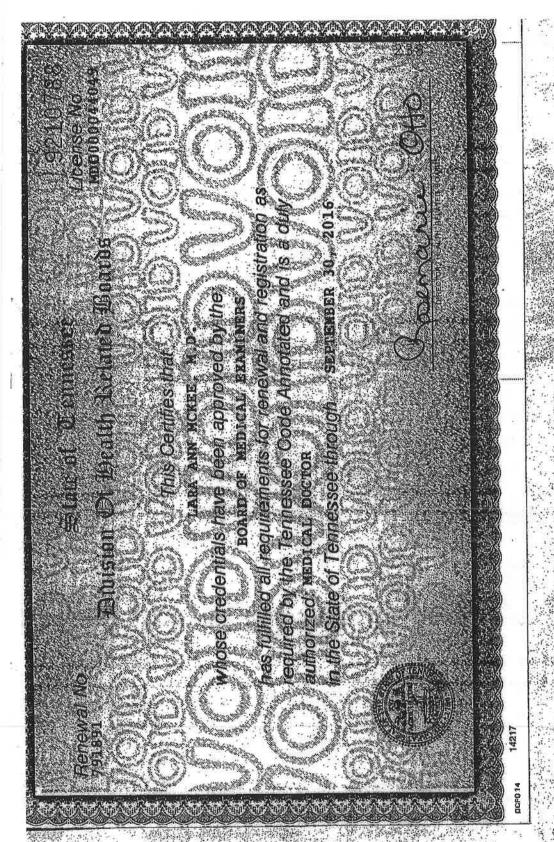
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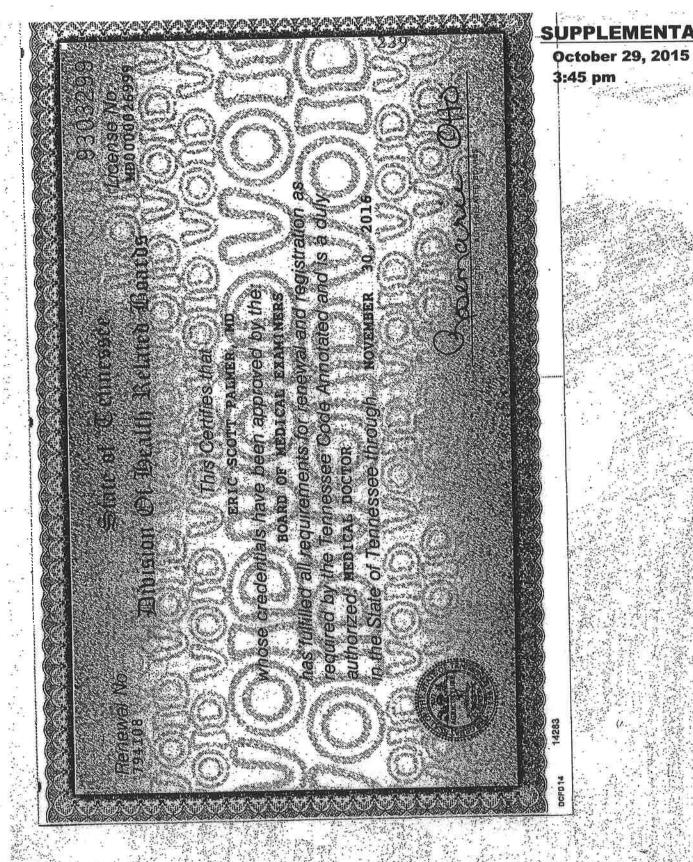


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October 29, 2015
3:45 pm

October 29, 2015 3:45 pm



October 29, 2015 3:45 pm



October 29, 2015

3:45 pm TriStarHealth.com

110 Winners Circle, First Floor Brentwood, TN 37027 (615) 886-4900

October 1, 2015

TriStar Health

Melanie M. Hill, Executive Director Tennessee Health Facilities Commission Andrew Jackson State Office Building, Ninth Floor 500 Deaderick Street Nashville, Tennessee 37243

Dear Mrs. Hill:

TriStar Horizon Medical Center is applying for a Certificate of Need to upgrade its Level I Nursery to a Level II Neonatal Intensive Care Unit. This will require a capital expenditure of approximately \$975,500.

As its Chief Financial Officer, I am writing to confirm that TriStar Health System, the Division office to which this hospital belongs, will fund the project in cash with a cash transfer from HCA, Inc. to TriStar. The application includes HCA Inc's financial statements documenting that sufficient cash reserves and operating income exist to accomplish that.

Sincerely.

Christocher E. Lawson,

TriStar Chief Financial Officer

CEL/vg

Renewal No

## State of Termsser

3:45 pm /

License No.

#### Minisipu De Bealth Kelated Boards

This Certifies that

DONNA-JEAN B. WALKER, MD

Whose credentials have been approved by the:

BOARD OF MEDICAL EXAMINERS

has fulfilled all requirements for renewal and registration as required by the Tennessee Code Annotated and is a duly authorized: MEDICAL DOCTOR

in the State of Tennessee through MARCH 31, 2017

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242

**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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CAMPBELL, SUSAN B

Nashville, TN 37203

Profession: Medical Doctor

Rank: Medical Doctor

Specialties:

Neonatal-Perina

License Number: 17455

Status: Licensed

Original Date: 09/02/1986

Expiration Date: 03/31/2017

View:

Practitioner Profile

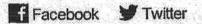
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Tennessee Department of Health: Licensure Verification

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HAMDAN, ASHRAF HOSNI M

Nashville, TN 37203

Profession: Medical Doctor

Rank: Medical Doctor

Specialties: **Pediatrics** 

License Number: 36669

Status: Licensed

Original Date: 08/21/2002 Expiration Date: 08/31/2017 View.

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HASSELL, SARAH E

Nashville, TN 37203

Profession: Medical Doctor

Rank: Medical Doctor

Specialties: Neonatal-Perina\_ License Number: 22081

Status: Licensed

Original Date: 01/07/1992

Expiration Date: 08/31/2016

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1. ISMAIL, MUHAMMADS

Nashville, TN 37203

Profession: Medical Doctor

Rank: Medical Doctor

Specialties: **Pediatrics** 

License Number: 19241

Status: Licensed

Original Date: 10/04/1988

Expiration Date: 03/31/2016

View.

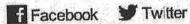
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#### **SUPPLEMENTAL #1**

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KARMO, HADEER N Nashville, TN 37205

License Number: 21215

View:

Status: Licensed

Practitioner Profile

Profession: Medical Doctor

Rank: Medical Doctor

Specialties: **Pediatrics** 

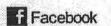
Original Date: 12/13/1990 Expiration Date: 02/29/2016

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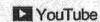
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MCKEE, LARA ANN Nashville, TN 37203

Profession: Medical Doctor

Rank: Medical Doctor

Specialties: Neonatal-Perina License Number: 44049

Status: Licensed

Original Date: 06/27/2008 Expiration Date: 09/30/2016 View.

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**SUPPLEMENTAL #1** 

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PALMER, ERIC SCOTT

Nashville, TN 37203

Profession: Medical Doctor

Rank: Medical Doctor

Specialties: **Pediatrics** 

License Number: 26999

Status: Licensed

Original Date: 06/07/1995 Expiration Date: 11/30/2016 View;

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RAVENSCROFT, JENNY LEE

Nashville, TN 37206

Profession: Medical Doctor

Rank: Medical Doctor

Specialties:

Neonatal-Perina

License Number: 44022

Status: Licensed

Original Date: 08/27/2008

Expiration Date: 07/31/2016

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**SUPPLEMENTAL #1** 

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WALKER, DONNA-JEAN B.

Jackson, TN 38305

Profession: Medical Doctor

Rank: Medical Doctor

Specialties: Neonatal-Perina License Number: 25371

Status: Licensed

Original Date: 02/16/1994

Expiration Date: 03/31/2017

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**SUPPLEMENTAL #1** October 29, 2015

3:45 pm

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PEDIATRICIAN

OJEDA, NESTORA

Waverly, TN 37185-2116

Profession: Medical Doctor Rank: Medical Doctor

Specialties: **Pediatrics** 

License Number: 21076

Status: Licensed

Original Date: 09/18/1990 Expiration Date: 10/31/2016 View:

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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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ADAMS, MARY LOU Jackson, TN 38305

Profession: Advanced Practice Nurse

Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 5821

Status: Licensed

Valid in TN Only

Original Date: 08/13/2004 Expiration Date: 07/31/2017 View:

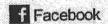
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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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BALDRIDGE, TRACY C Franklin, TN 37064

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 12246

Status: Licensed

Valid in TN Only

Original Date: 09/07/2006 Expiration Date: 02/28/2017 View.

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255

**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

You are viewing page 1 of 1...

BEAUMONT, LANE DOUGLASS Monteagle, TN 37356

Profession: Advanced Practice Nurse

Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 13773

Status: Licensed

Valid in TN Only

Original Date: 11/05/2008 Expiration Date: 06/30/2017 View.

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256

**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

You are viewing page 1 of 1...

 BLATNIK , ANITA M Maryville, TN 37803

Profession: Advanced Practice Nurse

Rank: Advanced Practice Nurse

Qualifications: NP with CF License Number: 6871

Status: Licensed

Valid in TN Only

Original Date: 08/13/2004 Expiration Date: 02/29/2016 View

Practitioner Profile

Certification Letter

BLATNIK , VALERIE L Nashville, TN 37211

Profession: Advanced Practice Nurse

Rank: Advanced Practice Nurse

Qualifications: NP with CF License Number: 5734

Status: Licensed Valid in TN Only

Original Date: 08/13/2004 Expiration Date: 01/31/2016 View:

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257

**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

You are viewing page 1 of 1...

BROGDON, ELIZABETH M Nashville, TN 37221

Profession: Advanced Practice Nurse

Rank: Advanced Practice Nurse Qualifications:

NP with CF

License Number: 11890

Status: Licensed

Valid in TN Only

Original Date: 01/19/2006 Expiration Date: 01/31/2017 View:

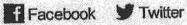
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258

**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

You are viewing page 1 of 1...

1. BROWN, MARY HELEN Nashville, TN 37205

Profession: Advanced Practice Nurse

Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 13765

Status: Licensed

Valid in TN Only

Original Date: 11/04/2008 Expiration Date: 05/31/2017 View:

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259

**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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BYLSMA, SARAH J Gallatin, TN 37066

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 16215

Status: Licensed Valid in TN Only

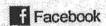
Original Date: 11/03/2011 Expiration Date: 08/31/2016 View:

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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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1. CASHION, LISA ANNE Huron, TN 38345

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 10951

Status: Licensed

Valid in TN Only

Original Date: 05/13/2005 Expiration Date: 03/31/2017 View:

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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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DYCUS, BROOKE A. PERRY Nashville, TN 37203

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 12853

Status: Licensed

Valid in TN Only

Original Date: 08/20/2007 Expiration Date: 10/31/2016 View:

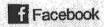
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## **SUPPLEMENTAL #1**

October 29, 2015 3:45 pm

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EKLUND, WAKAKO M Nashville, TN 37209

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 6866

Status: Licensed

Valid in TN Only

Original Date: 08/13/2004 Expiration Date: 07/31/2016

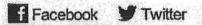
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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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1. HAMMOND, KRISTI G Georgetown, KY 40324

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 14989

Status: Licensed

Valid in TN Only

Original Date: 05/27/2010 Expiration Date: 12/31/2016 View:

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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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HARRISON, KATHERINE RYND Nashville, TN 37203

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications:

NP with CF

License Number: 6611

Status: Licensed

Valid in TN Only

Original Date: 08/13/2004 Expiration Date: 04/30/2017 View:

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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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HERMAN, VICKI L Clarksville, TN 37043

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications:

NP

License Number: 12782

Status: Licensed

Valid in TN Only

Original Date: 07/13/2007 Expiration Date: 08/31/2017 View.

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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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HOFFERT, KORI R Shelbyville, TN 37160

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 16524

Status: Licensed Valid in TN Only

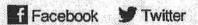
Original Date: 02/22/2012 Expiration Date: 05/31/2017 View:

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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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HUFF, CHRISTY Brentwood, TN 37027

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 13674

Status: Licensed

Valid in TN Only

Original Date: 09/22/2008 Expiration Date: 08/31/2016 View:

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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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HUGHES, ADRIENE L 1. Mount Juliet, TN 37122

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 16126

Status: Licensed

Valid in TN Only

Original Date: 10/28/2011 Expiration Date: 01/31/2016 View:

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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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JORDAN, KERIN Nashville, TN 37203

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 18660

Status: Licensed

Valid in TN Only

Original Date: 05/29/2014 Expiration Date: 12/31/2016 View:

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SUPPLEMENTAL #1

October 29, 2015 3:45 pm

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OLDHAM, LINDSEY ANN Murfreesboro, TN 37128

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 17963

Status: Licensed

Valid in TN Only

Original Date: 09/10/2013 Expiration Date: 09/30/2017 View:

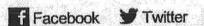
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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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 ROHLING , CARRIE ELIZABETH Nashville, TN 37209

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 16349

Status: Licensed

Valid in TN Only

Original Date: 12/05/2011 Expiration Date: 02/29/2016 View:

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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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1. SAWYER, CHRISTIE M Nashville, TN 37221

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 11187

Status: Licensed

Valid in TN Only

Original Date: 04/18/2005 Expiration Date: 08/31/2016 View:

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**SUPPLEMENTAL #1** 

October 29, 2015 3:45 pm

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1. SCOTT, PATRICIA A Lebanon, TN 37090

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 5979

Status: Licensed

Valid in TN Only

Original Date: 08/13/2004 Expiration Date: 07/31/2017 View:

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## **SUPPLEMENTAL #1**

October 29, 2015 3:45 pm

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1. STEPHENS, KAREN M Nolensville, TN 37135

> Profession: Advanced Practice Nurse Rank: Advanced Practice Nurse

Qualifications: NP with CF

License Number: 17889

Status: Licensed

Valid in TN Only

Original Date: 09/04/2013 Expiration Date: 11/30/2016 View:

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# LETTER OF INTENT -- HEALTH SERVICES & DEVELOPMENT AGENCY

The Publication of Intent is to be published in the Tennessean, which is a newspaper of general circulation in Dickson County, Tennessee, on or before October 10, 2015, for one day.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. Sections 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that TriStar Horizon Medical Center (a hospital), owned and managed by Central Tennessee Hospital Corporation, Inc. (a corporation), intends to file an application for a Certificate of Need to initiate neonatal intensive care nursery services in a 6-bed Level II neonatal nursery, by renovation of existing space on its main campus at 111 Highway 70 East in Dickson, TN 37055, at a capital cost estimated at \$975,500.

TriStar Horizon Medical Center is licensed by the Board for Licensing Health Care Facilities, Tennessee Department of Health, as a 157-bed general hospital. The project does not change the hospital's licensed bed count, and does not contain major medical equipment or initiate or discontinue any other health service.

The anticipated date of filing the application is on or before October 15, 2015. The contact person for the project is John Wellborn, who may be reached at Development Support Group, 4219 Hillsboro Road, Suite 210, Nashville, TN 37215, (615) 665-2022.

Signature) (Date) jv

jwdsg@comcast.net (E-mail Address)

### CITY OF DICKSON

OFFICE OF THE MAYOR 600 EAST WALNUT STREET DICKSON, TENNESSEE 37055

DON L. WEISS, JR., MAYOR

TEL: (615) 441-9508 FAX: (615) 446-4806

October 14, 2015

Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Bldg., 9<sup>th</sup> Floor Nashville, TN 37243

RE:

Level II Neonatal Intensive Care Unit (NICU)

To Whom It May Concern:

I understand TriStar Horizon Medical Center has plans to develop a neonatal intensive care unit, I would like to express my support for these efforts.

As a community leader, I understand the importance of first rate hospital services. TriStar Horizon has served the community for many years but with the growing population in Dickson and surrounding counties, developing advanced healthcare services is necessary.

Many of the services offered at TriStar Horizon, including labor and delivery, represent the only access point for a large geographic area. In fact, TriStar Horizon's labor and delivery unit represents the only birthing center between Nashville and Jackson, a 140 mile stretch.

Developing a NICU will provide needed healthcare services for a large geographic region and allow mothers and babies to remain together, rather than transporting babies to Nashville.

Thank you for your support.

Sincerely

Don L. Welss, Jr. Mayor

City of Dickson

DLW/ds

cc:

Dustin A. Greene

Chief Executive Officer

TriStar Horizon Medical Center

## WAVERLY CLINIC, P.C.

806 EAST MAIN STREET - P.O. BOX 786

WAVERLY, TENNESSEE 37185-0786

PHONE (931) 296-7788 FAX (931) 296-7130

SUBHI D. ALI, M.D., F.A.C.S., F.I.C.S.;
GENERAL SURGERY

ARTHUR W. WALKER, M.D. FAMILY PRACTICE

MAYSOON SHOCAIR-ALI, M.D., F.A.C.P.
INTERNAL MEDICINE & GASTROENTEROLOGY

October 27, 2015

Ms. Melanie Hill Tennessee Health Services and Development Agency 502 Deaderick Street Andrew Jackson Bldg, 9th Floor Nashville, TN 37243

Dear Ms. Hill,

This letter is in support of the application of Horizon Medical Center-NICU CON.

I am fully aware of the problems related to the fact that rural Tennessee between Nashville and Jackson does not have a single NICU. The only obstetrics program remaining in that 140 miles rural stretch of Interstate 40 is at TriStar Horizon Medical Center which is the only regional Hospital in our area. All other obstetrics departments in the area that existed when we started Waverly Clinic in 1976 have since closed as a result of the many negative changes in rural health care.

A significant percentage of the babies born at Horizon are being transferred to larger hospitals in Nashville for a Level II NICU due to the demands of new protocols that can only be met by a NICU. That is not in the best interest of the mothers and their babies or the citizens of the State of Tennessee who reside in the aforementioned area.

I strongly endorse the CON supra without any reservations and feel that approving it is vital to the stability and advancement of obstetric care in a growing area with a large percentage of young reproducing adults. It is in the best interest of the health and welfare of the people who live in the State of Tennessee.

Respectfully yours,

Subhi D. Ali, MD, FACS

Former President,

Tennessee Medical Association

# CERTIFICATE OF NEED REVIEWED BY THE DEPARTMENT OF HEALTH DIVISION OF POLICY, PLANNING AND ASSESSMENT

615-741-1954

**DATE:** December 31, 2015

**APPLICANT:** TriStar Horizon Medical Center

111 Highway 70 West Dickson, Tennessee 37055

CN1510-047

**CONTACT PERSON:** John Wellborn

Development Support Group 4219 Hillsboro Road, Suite 210 Nashville, Tennessee 37215

**COST:** \$975,500

In accordance with Section 68-11-1608(a) of the Tennessee Health Services and Planning Act of 2002, the Tennessee Department of Health, Division of Policy, Planning, and Assessment, reviewed this certificate of need application for financial impact, TennCare participation, compliance with *Tennessee's State Health Plan*, and verified certain data. Additional clarification or comment relative to the application is provided, as applicable, under the heading "Note to Agency Members."

#### **SUMMARY:**

The applicant, TriStar Horizon Medical Center, located at 111 Highway 70 East, Dickson, Tennessee, seeks Certificate of Need approval to initiate neonatal intensive care nursery services in a 6-bed Level II neonatal nursery, by renovation of existing space on its main campus.

The project involves the renovation of 1,500 square feet of space in the hospital's second floor nursery at a cost of \$374,500, or \$250 per square foot. The neonatal intensive care unit (NICU) will consist of 6 licensed bassinets and equipped for the delivery of Level II care as defined by the current Guidelines of the Tennessee Perinatal Care System (Seventh Addition, 2014).

Horizon Medical Center is owned by Central Tennessee Hospital Corporation, a wholly-owned subsidy of HCA, Inc., whose Tennessee ownership interests are included in the Attachments to this application.

The total project cost is \$975,500 and will be funded through cash reserves as documented in Attachment C, Economic Feasibility-2.

#### **GENERAL CRITERIA FOR CERTIFICATE OF NEED**

The applicant responded to all of the general criteria for Certificate of Need as set forth in the document *Tennessee's State Health Plan*.

#### **NEED:**

The applicant's service area includes Dickson, Hickman, Houston, and Humphries counties. The total service area population projections and the 15-44 women of child bearing age population projections are provided in the following charts.

Service Area Total Population 2016 and 2020

County	2016 Population	2020 Population	% of Increase/ (Decrease)
Dickson	53,684	56,210	4.7%
Hickman	26,351	27,363	3.8%

Houston	8,869	9,157	3.2%
Humphreys	18,987	19,185	1.0%
Total	107,891	111,915	3.7%

Service Area Women, Ages 15-44, 2016-2020

County	2016 Population	2020 Population	% of Increase/ (Decrease)
Dickson	9,675	9,843	1.7%
Hickman	4,372	4,422	1.1%
Houston	1,472	1,521	3.2%
Humphreys	3,157	3,189	1.0%
Total	18,676	19,975	1.6%

Tennessee Department of Health, Division of Policy, Planning, and Assessment-Office of Health Statistics, 2020, Tennessee Population Projections 2000-2020, Revision June 2015 Revision

TriStar Horizon Medical Center serves a large rural area between Nashville and the Tennessee River, whose residents have many births requiring Level II neonatal intensive care. The applicant proposes to establish a Level II Neonatal Intensive Care Unit with 6 licensed beds. The unit will be staffed 24/7 by neonatal nurse practitioners working under the supervision of neonatologists on staff at TriStar Centennial Medical Center, the second largest Level III neonatal program in Middle Tennessee. The neonatology group belongs to the Pediatrix organization, which manages neonatal care at seven Middle Tennessee NICU's. The applicant is currently licensed for 157 beds and will delicense six med/surg beds to create the 6 bed NICU; thus remaining at 157 beds.

In 2015, the perinatal community redefined Level II care to include certain infants with persistent low blood sugar problems, who were traditionally cared for in Level I facilities. This change caused the applicant's Level I program to transport 160% more inborns (born at the hospital) to Level II NICU's outside the service area. Not having a Level II resource imposes a severe burden on the families and necessitates much larger neonatal transport costs, not to mention the extreme separation of the mothers from their babies for an average of two weeks. The applicant is concerned that recent trends suggest that one in three area newborns are being transferred to Level II NICU's and if this trend continues, mothers will choose to deliver their babies in Nashville, thus threatening the Horizon obstetrics program. This could possibly create a significant gap in accessibility and safety for service area residents.

The applicant has a strong relationship with the Level III NICU at TriStar Centennial Women's and Children's Hospital in Nashville and send the majority of their transfers there. The applicant can quickly upgrade its staffing and staff competencies to meet the current Perinatal Guidelines for Level II care. The ability to provide Level II care will significantly reduce the burdens on families caused by the transporting of their babies out of the service area and lower the cost of care. Additionally, the applicant will be able to maintain the hospital's maternity program and keep from adding to the problem of rural service areas losing obstetricians.

There are no Level II NCIU providers available in the primary service area which generates almost a 1,000 births a year. The applicant is the only Level I neonatal services in their four county primary service area. The providers of Level II and above in the perinatal region are listed below.

**Births and NICU Infants from the Primary Service Area** 

County	2012	2012	2013	2013	2014	2014
	Births	NICU	Births	NICU	Births	NICU
Dickson	570	179	619	217	625	227
Humphreys	219	52	198	69	187	50
Houston	74	18	73	29	96	34
Hickman 37025 zip code	73	23	89	23	79	23
Total	936	272 29.1%	979	338 34.5%	987	334 33.8%

Tennessee Department of Health, Division of Policy, Planning, and Assessment, THA

#### Middle Tennessee Perinatal Region, Neonatal Intermediate and Intensive Care Bed

Hospital	Neonatal Beds
St. Thomas Midtown	52
TriStar Centennial Medical Center	60
Metropolitan Memorial Hospital	10
TriStar Summit Medical Center	10
TriStar Hendersonville	*6
TriStar StoneCrest	8
Vanderbilt Medical Center	100
Maury Regional Medical Center	8
Gateway Medical Center	13
St. Thomas Rutherford	16
Williamson Medical Center	8
Total	291

Source: Joint Annual Report of Hospitals 2014, Tennessee Department of Health, Policy, Planning, and Assessment. \*TriStar Hendersonville opens 6 beds in 2016.

The Department of Health, Division of Policy, Planning, and Assessment have calculated a bed need of 292 beds.

# NUMBER OF RESIDENT BIRTHS WITH GENERAL FERTILITY RATES (TOTAL BIRTHS-ALL AGES PER 1,000 FEMALES AGED 15-44)

FOR COUNTIES OF TENNESSEE, RESIDENT DATA, 2014

	TOTAL			Est. 2019	Est. 2019	Droi Pod
COUNTY	NUMBER	RATE		15-44 Pop.	Births	Proj. Bed Needs
COONTI	COUNTY NOWIDER RATE			13-44 гор.	פווונוס	Necus
BEDFORD	640	71.6		9,619	689	6
CANNON	142	60.0		2,341	141	1
CHEATHAM	469	63.7		7,255	462	4
CLAY	74	63.0		1,125	71	1
COFFEE	693	70.6		10,145	716	6
DAVIDSON	10,275	65.3		163,605	10,682	85
DEKALB	235	70.5		3,285	232	2
DICKSON	625	66.2		9,783	647	5
FRANKLIN	399	52.5		7,582	398	3
GILES	303	59.9		4,960	297	2
HICKMAN	283	67.5		4,376	295	2
HOUSTON	96	65.8		1,518	100	1
HUMPHREYS	187	59.9		3,155	189	2
JACKSON	90	47.4		1,838	87	1
LAWRENCE	582	77.7		7,488	582	5
LEWIS	155	75.7		2,128	161	1
LINCOLN	339	59.1		5,705	337	3
MACON	342	78.5		4,312	338	3
MARSHALL	380	64.5		6,210	401	3
MAURY	1,130	68.9		16,829	1,160	9
MONTGOMERY	3,453	77.9		49,798	3,880	31
MOORE	52	48.6		1,141	55	0
OVERTON	227	60.2		3,939	237	2
PERRY	121	95.7		1,304	125	1
PUTNAM	862	57.2		16,452	942	8

ROBERTSON	884	67.9
RUTHERFORD	4,001	60.0
SMITH	237	69.0
STEWART	130	58.2
SUMNER	2,122	63.9
TROUSDALE	97	65.4
VAN BUREN	61	68.3
WARREN	477	66.4
WAYNE	153	60.9
WHITE	304	67.3
WILLIAMSON	2,149	55.7
WILSON	1,459	62.1

14,270	969
77,027	4,621
3,634	251
2,289	133
34,452	2,202
1,553	102
826	56
7,210	479
2,439	148
4,685	315
41,164	2,295
24,376	1,514

8
37
2
1
18
1
0
4
1
3
18
12

TOTAL 292

Current Year Population Estimates Source: Tennessee Department of Health, Division of Policy, Planning and Assessment.

Projections Data Source: The University of Tennessee Center for Business and Economic Research Population Projection Data Files,

Reassembled by the Tennessee Department of Health, Division of Policy, Planning and Assessment.

Note: These data will not match the University of Tennessee Data exactly due to rounding.

Report Prepared By: Tennessee Department of Health, Division of Policy, Planning and Assessment.

TriStar Horizon's physicians have increased the number of neonatal transfers to Level II care in 2015. This is largely due to a nationwide change in neonatal care practice triggered by a 2015 study in the Journal of the American Medical Association. The study looked at the fourth grade achievement scores of newborns who had persistent low blood sugar levels (hypoglycemia) following birth. The pediatric community now believes that the duration of newborn hypoglycemia may affect cognitive abilities later in the child's life.

Typically, Level I units kept hypoglycemic infants up to two days to stabilize their blood sugar levels. However, in the past year Level I units like Horizon's have initiated neonatal transport to a Level II NICU for more rapid stabilization, if the newborn cannot be normalized onsite within 12 hours of birth. The applicant provided the following bullets along with four pages of illustrations beginning after page 16 of the application.

- In CY 2014, Horizon transferred 27 neonates to NICU's in the region. In the first nine months of 2015, Horizon has transferred 44 neonates, which annualizes to 59 transfers by year's end.
- Transfers to Level II care have increased steadily during CY2015. In January there were 2 transfers to Level II care, in April there were 4, and in July there were 8.
- In 2015, the total transfers as a percent of births at Horizon increased from 4.3% in January to 14.% in May, and to 25.9% in September.
- Year over year, the transfer rate for TriStar Horizon inborns has increased from under 5% in 2012 to approximately 13% in YTD 2015 (Jan–Sept); in September it reached 26%.

TriStar Horizon states the hospital's obstetric patient origin constitutes a large swath of counties far to the west of Nashville that rely substantially on them for maternal and infant care. A Level II designation will not require a major change in staffing at the Horizon nursery.

A level II designation is considered essential by Horizon for the future viability of the obstetricians

practicing in this area west of Nashville. Increasingly, mothers who are able to travel are choosing to bypass closer obstetric programs if necessary to reach a program with Level II care in the event that their infant might need it. Without Level II designation, the viability of TriStar Horizon's current program will steadily erode and the area might not be able to maintain the number of obstetricians currently serving there or being recruited.

The Level II designation at TriStar will make it easier on families to be closer to their infants during long periods of care required (average length of stay 13 days in Level II). Easier access to care site reduces emotional burden of separation of a newborn from its parents for prolonged periods.

The Level II program upgrade would also eliminate scores of expensive neonatal transports to Nashville due to the new pediatric transfer protocol for newborns with blood sugar deficiencies. Having a Level II program would also allow Horizon to accept "back-transfers" of infants who are completing a Level III stay in Nashville, and are stabilized to be care for in a less intensive Level II nursery.

#### **TENNCARE/MEDICARE ACCESS:**

As an existing hospital, Horizon is certified for both the Medicare and Medicaid programs. Horizon contracts with AmeriGroup, United Healthcare Community Plan, BlueCare, and TennCare Select.

TriStar Horizon Medical Center projects Year one Medicare revenues of \$332,452,260 or 63.0% of total gross revenues and Medicare revenues of \$84,432,320 or 16.0% of total gross revenues.

TriStar Horizon Medical Center NICU year one Medicaid revenues are projected to \$3,036,800 of 80.0% of total gross revenues, while Commercial/HMO/PPO total gross revenues are projected to be \$683,280 or 18.0% of total gross revenues.

#### **ECONOMIC FACTORS/FINANCIAL FEASIBILITY:**

The Department of Health, Division of Policy, Planning, and Assessment have reviewed the Project Costs Chart, the Historical Data Chart, and the Projected Data Chart to determine if they are mathematically accurate and if the projections are based on the applicant's anticipated level of utilization. The location of these charts may be found in the following specific locations in the Certificate of Need Application or the Supplemental material:

**Project Costs Chart:** The Project Costs Chart is located on page 65 of the application. The total project cost is \$975,500.

**Historical Data Chart:** The Historical Data Chart for TriStar Horizon Medical Center is located on page 68 of the application. The applicant reported 4,391, 4,533, and 4,668 admissions in 2012, 2013, and 2014 with net operating revenues of (\$3,911,442), (\$4,482,210), and (\$3,124,497) each year, respectively.

**Projected Data Chart:** The Projected Data Chart for TriStar Horizon Medical Center is located on page 70 of the application. The applicant projected 5,294 and 5,400 admissions in year one and two with net operating revenues of \$4,620,000 and \$6,400,000 each year, respectively.

**Projected Data Chart:** The Projected Data Chart for TriStar Horizon Medical Center NICU is located on page 71 of the application. The applicant projects 85 and 100 admissions in years one and two with net operating revenues of \$350,000 and \$605,000 each year, respectively.

The applicant provided the average charges, deductions, net charge, and net operating income for TriStar Horizon Medical Center including NICU.

	CY2017	CY2018
Patient Days	21,840	22,277
Admissions	5,294	5,400
Average Gross Charge Per day	\$24,162	\$25,582
Average Gross Charge Per admission	\$99,679	\$105,536
Average Deduction per day	\$20,049	\$21,270
Average Deduction per admission	\$82,712	\$87,746
Average Net Charge (Net Operating Revenue) per day	\$4,113	\$4,312
Average Net Charge (Net Operating Revenue) per admission	\$16,967	\$17,790
Average Net Operating Income After Expenses, per day	\$391	\$465
Average Net Operating Income After Expenses, per admission	\$1,611	\$1,916

The applicant provided the average charges, deductions, net charge, and net operating income NICU only.

	CY2017	CY2018
Patient Days	\$1,105	\$1,300
Admissions	\$85	\$100
Average Gross Charge Per day	\$3,435	\$3,675
Average Gross Charge Per admission	\$44,659	\$47,780
Average Deduction per day	\$1,824	\$2,025
Average Deduction per admission	\$23,718	\$26,330
Average Net Charge (Net Operating Revenue) per day	\$1,611	\$1,650
Average Net Charge (Net Operating Revenue) per admission	\$20,941	\$21,450
Average Net Operating Income After Expenses, per day	\$317	\$465
Average Net Operating Income After Expenses, per admission	\$4,118	\$6,050

The applicant reports this project is the best option due to its low cost and does not require new construction. Not offering a Level II NICU is unacceptable because the long-range viability of the obstetrics service in this area requires the presence of a Level II program, and because the rural residents in these counties deserve accessibility to Level II neonatal care that is more comparable to that of urban populations.

#### **CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTHCARE:**

TriStar Horizon has a special relationship with TriStar Centennial Women's and Children's Hospital Level III NICU.

The applicant provides information regarding all contracts and associations TriStar Horizon Medical Center has in the application following page 80.

TriStar Horizon Medical Center believes the proposed NICU in Dickson will have very positive impacts on its rural service area. The NICU will reduce the emotional strain of separation of a newborn from the family, reduce significant family travel times and expense of daily drives to Nashville to be with newborns, and reduce delays in neonatal care while awaiting neonatal transport. For Level II infants born at Horizon, the project will eliminate substantial charges (and

some risk) of neonatal ambulance transport to and from downtown Nashville; which has recently come about due to changes in pediatric clinical guidelines.

The applicant believes this project will positively impact its affiliated Level III NICU in Nashville, by relieving it of Level II care for substantial numbers of infants from the Dickson service area, freeing up resources for additional availability of care for those needing it.

The proposed NICU should not have a significant adverse impact on other Level II facilities. Vanderbilt and Saint Thomas Midtown probably do not receive a significant percent of Level II NICU admissions from this service area and TriStar Horizon projects the great majority of its admissions will be service area infants who otherwise would be transported to TriStar Centennial Women's and Children's Hospital which supports this project.

The applicant's proposed staffing for years one and two is provided on page 83 of the application.

TriStar Horizon Medical Center is a clinical rotation site for numerous students in health professions training programs and provides a listing on page 85 of the application.

TriStar Horizon Medical Center is licensed by the Tennessee Depart of Health, Board for Licensing Healthcare Facilities and is accredited by The Joint Commission.

#### SPECIFIC CRITERIA FOR CERTIFICATE OF NEED

The applicant responded to all relevant specific criteria for Certificate of Need as set forth in the document *Tennessee's State Health Plan*.

#### **NEONATAL NURSERY SERVICES**

1. The total number of neonatal intensive and intermediate care beds should not exceed eight beds per 1,000 live births per year in a defined neonatal service area.

#### Middle Tennessee Perinatal Region, Neonatal Intermediate and Intensive Care Bed

Hospital	Neonatal Beds
St. Thomas Midtown	52
TriStar Centennial Medical Center	60
Metropolitan Memorial Hospital	10
TriStar Summit Medical Center	10
TriStar Hendersonville	*6
TriStar StoneCrest	8
Vanderbilt Medical Center	100
Maury Regional Medical Center	8
Gateway Medical Center	13
St. Thomas Rutherford	16
Williamson Medical Center	8
Total	291

Source: Joint Annual Report of Hospitals 2014, Tennessee Department of Health, Policy, Planning, and Assessment. \*TriStar Hendersonville opens 6 beds in 2016.

The Department of Health, Division of Policy, Planning, and Assessment have calculated a bed need of 292 beds in the Middle Tennessee Perinatal Region.

The four county primary service area defined by the applicant shows a need for show a need for 10 beds.

2. The need shall be based upon the current year's population projected four years forward.

Service Area Total Population 2016 and 2020

County	2016 Population	2020 Population	% of Increase/ (Decrease)
Dickson	53,684	56,210	4.7%
Hickman	26,351	27,363	3.8%
Houston	8,869	9,157	3.2%
Humphreys	18,987	19,185	1.0%
Total	107,891	111,915	3.7%

Service Area Women, Ages 15-44, 2016-2020

County	2016 Population	2020 Population	% of Increase/ (Decrease)
Dickson	9,675	9,843	1.7%
Hickman	4,372	4,422	1.1%
Houston	1,472	1,521	3.2%
Humphreys	3,157	3,189	1.0%
Total	18,676	19,975	1.6%

Tennessee Department of Health, Division of Policy, Planning, and Assessment-Office of Health Statistics, 2020, Tennessee Population Projections 2000-2020, Revision June 2015 Revision

3. A single neonatal special care unit shall contain a minimum of 15 beds. This is considered to be the minimum necessary to support economical operation of this service. An adjustment in the number of beds may be justified due to geographic remoteness.

The applicant notes this criterion make assumptions about economic feasibility. It is not a criterion that correlated bed complements with quality of patient care. The applicant states the financial projections for the unit and the hospital document that this particular 6-bed nursery project, staffed and operated in full compliance with the Perinatal Care Guidelines will be financial feasible. The applicant believes the project's benefits to rural families who live long drives from the existing NICU's, justify the exception offered by this criterion.

4. The applicant shall designate a specific service area which is compatible with Department of Health quidelines pertaining to this service.

The applicant defines their primary service area as Dickson, Houston, Humphreys and Hickman counties; all part of the 37-county Middle Tennessee Perinatal Region.

5. The applicant should demonstrate the ability to comply with the standards developed in the *Tennessee Perinatal Care System Guidelines for Regionalization, Hospital Care Levels, Staffing and Facilities.* 

The applicant provided a 12-page written response to the Perinatal Care System Guidelines for a Level II Nursery in the application.

6. The target population shall have access to the proposed service in terms of payment for services, transportation, parking, geographical barriers, and access for the handicapped.

The applicant complies with this criterion.

7. The Department of Health will consult with the Perinatal Advisory Committee regarding applications.

The Perinatal Advisory Committee has been provided with a copy of the application for their comments.